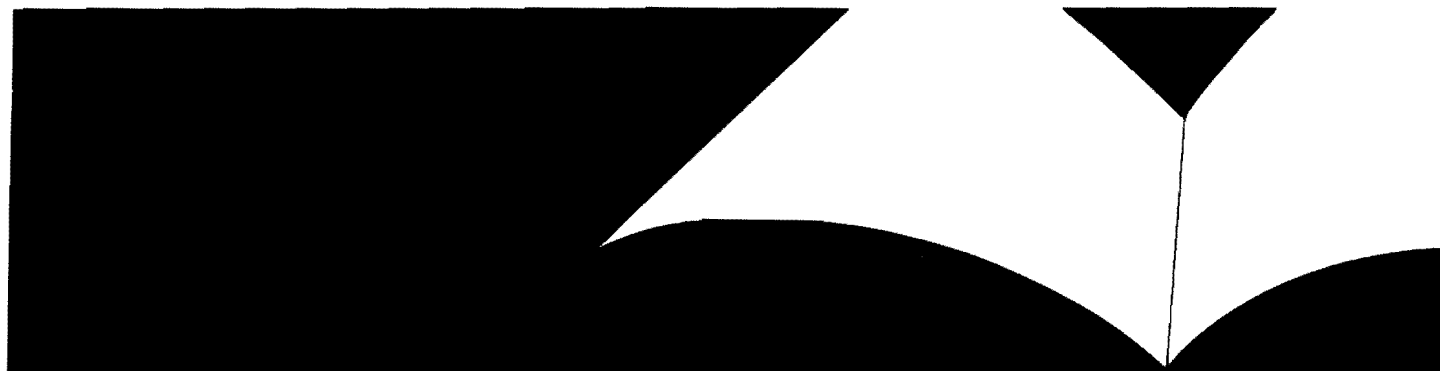


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**Planning U.S.
General Purpose Forces:
Forces Related to Asia**

June
1977



Congressional Budget Office
Congress of the United States
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PLANNING U.S. GENERAL PURPOSE FORCES:
FORCES RELATED TO ASIA

The Congress of the United States
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PREFACE

This report is one of a series of reports on planning U.S. general purpose forces. The other papers have concentrated on force elements, such as tactical air forces, that relate to the demanding contingency of a conflict between NATO and Warsaw Pact nations. This paper discusses the general purpose forces deployed in East Asia and the Pacific. It identifies alternatives to the current posture, including reductions and deletions from the overall force structure, realignments involving transfer of some force elements to the continental United States and the Atlantic for NATO-related missions, and force enhancements concentrated in Northeast Asia.

The focus of debate on the U.S. defense posture in Asia, apart from Vietnam, has in recent years been on the question of withdrawing, retaining, or phasing down the U.S. Army Second Division deployed in South Korea north of Seoul. That is an important issue, and it is addressed in this paper. But there is a wider range of force structure issues in East Asia and the Pacific that relate to the Navy, Marine Corps, and Air Force and to deployments outside of Korea -- in and near Japan, the Philippines, and Hawaii, for example.

The principal purpose of this paper is to illustrate the wider range of budget-related choices available in considering reductions and restructuring within the region. Another purpose is to highlight some dilemmas in which competing U.S. objectives make choices more difficult.

This report was prepared by Charles A. Sorrels of the National Security and International Affairs Division of the Congressional Budget Office, under the supervision of Robert B. Pirie, Jr. and John E. Koehler. The author wishes to acknowledge the useful comments of David M. Shilling of the staff of the Senate Budget Committee, as well as those of Patrick L. Renahan and Edward A. Swaboda of CBO's Budget Analysis Division, who made valuable contributions regarding the cost impacts of options and the organization of the alternatives presented.

David R. Martin verified the accuracy of the factual material.
In keeping with CBO's mandate to provide nonpartisan analysis
of policy options, the report contains no recommendations.

Alice M. Rivlin
Director

June 1977

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SUMMARY

Since World War II, the United States has fought in two wars in Asia at an immense cost in lives, domestic consensus, and economic impact. Asia has also been an area where major U.S. policy objectives have been realized: economic recovery and democratic institutions in a Japan closely allied with the United States; deterrence of a renewed Korean War; and strong economic growth in South Korea and Taiwan. In Asia, the Sino-Soviet split has been a political development fundamentally altering basic U.S. contingency planning assumptions for sizing general purpose forces by substantially reducing the prospect of the United States and its allies confronting a combined attack by the Soviet Union and the People's Republic of China (PRC).

The most demanding contingency against which U.S. general purpose forces, along with allied capabilities, are tested is a worldwide conventional war with the Soviet Union, centered in, but not limited to, the Western European/Atlantic theater. The planning for U.S. general purpose forces calls for them to be capable of dealing not only with that "major" war contingency, but also with a "minor" contingency elsewhere.

The contingency of a major NATO/Warsaw Pact conflict has been treated in the public record in considerable detail by the Executive branch. In contrast, no detailed rationale has been presented that attempts to derive much of the U.S. forward-force deployments in East Asia and the Western Pacific from threats and contingencies in that area.

That region could be a "second front" in a worldwide conventional conflict with the Soviet Union. Both the United States and the Soviet Union might hesitate to initiate hostilities in East Asia and the Western Pacific, but both might wish to "tie down" the other's forces in the region to constrain or prevent redeployment to the more demanding European/Atlantic conflict.

Holding a forward defensive position in Northeast Asia is, however, justified in part because the European conflict could

become worldwide. Because the principal Soviet forces in the area confronting the United States are air and naval, and because only Korea is directly threatened by land attack, it is assumed that principal battles with Soviet forces in this theater of the war would be naval and air.

There are other contingencies which may justify some U.S. forces in the Pacific:

- o A "brush fire" contingency somewhere in the Western Pacific or East Asia
- o A Soviet campaign against sea lines of communication between the Persian Gulf and Japan or between the United States and Japan
- o A war in Korea.

Many questions remain concerning these contingencies and their implications for the level and mix of U.S. forces in East Asia and the Pacific. In view of the changed U.S. posture in Asia, where and on what scale is some kind of "brush fire" likely to erupt? How could the Soviet Union pursue a campaign against the sea lanes -- sinking ships, killing sailors, and threatening the economy of Japan -- without forcing a test in some other arena? If there were to be an attack in Korea, would the North Koreans undertake it alone or would they receive help, and of what kind, from China or the Soviet Union?

The Soviet Union maintains significant forces in East Asia and the Pacific. About 25 percent of Soviet ground force divisions and frontal tactical aviation are in the Soviet Far East and along the Sino-Soviet border. About 30 percent of the Soviet Navy is in its Pacific fleet. This fleet has grown gradually; further qualitative improvements are expected. The threat these forces pose to U.S. interests is limited, however, by several considerations:

- o The bulk of Soviet ground and air forces in the region is directed at the People's Republic of China, not at the United States or its allies. Even in a NATO/Warsaw Pact war, a substantial part of those assets might well remain deployed against a hostile People's Republic of China.

- o The Soviet Pacific Fleet (excluding ballistic missile submarines) is much less active than other Soviet fleets or the U.S. Pacific Fleet. It is also the last of the Soviet fleets to receive new types of vessels.
- o The Soviet Pacific Fleet's two main bases are both less than ideal: Vladivostok opens on the Sea of Japan, whose narrow exits might be mined or contested; Petropavlovsk on the remote Kamchatka peninsula is notably difficult to support and resupply.

The United States appears to have forces deployed in East Asia and the Pacific that exceed considerably the needs generated by either a North Korean attack, assuming no Soviet or PRC combat involvement, or by the threat posed by the Soviet Pacific Fleet. The principal rationale for the substantial, although reduced, U.S. forces deployed in East Asia and the Pacific is now avowedly "political." The presence of these forces is said to support important U.S. interests. These major interests relate primarily to Japan, and include a secure Japan that relies with confidence on U.S. commitments to Japan's defense, that does not feel compelled to accommodate with the Soviet Union, to reorient its foreign policy away from support for the United States, or to undertake a major rearmament.

In appraising the present forces in East Asia and the Pacific and in considering alternatives, basic questions seem to be

- o Given the demanding tasks in the Atlantic for support to NATO in a long war, and given that only about 30 percent of the Soviet Navy is deployed in its relatively inactive general purpose Pacific fleet, should the U.S. Navy continue to deploy nearly 50 percent of its fleet in peacetime in the Pacific?
- o Are there plausible missions that justify the scale of the large U.S. Marine Corps presence in Okinawa?
- o Does the maintenance of stability on the Korean peninsula require retaining a U.S. infantry division in South Korea?
- o Is there a continuing need to maintain the military personnel at large U.S. bases in the Philippines at a level exceeding the 1960 figure by nearly 30 percent? Or, can

some deployment, such as U.S. Air Force tactical air squadrons, be reduced or withdrawn?

- o If reductions were made in the presently deployed forces in East Asia and the Pacific, should the force elements, such as the infantry division in Korea or some naval forces, be withdrawn from the force structure or be redeployed to the continental United States and the Atlantic for priority NATO needs?

The Range of Force Issues in the Pacific and East Asia

Recent debate on the U.S. defense posture in Asia has focused on whether to retain, phase down, or entirely withdraw the U.S. Second Infantry Division deployed north of Seoul in South Korea. President Carter recently declared a commitment to withdraw American ground troops from South Korea over a period of four to five years -- on a schedule "worked out very carefully with the South Korean government." The Administration has indicated that a continued U.S. tactical air presence will be retained in South Korea over a longer period, and that the United States will assist South Korea in provision of needed equipment to offset the military capability of ground forces withdrawn.

Decisions regarding Korea should be considered in the context of a wider range of force structure issues in East Asia and the Pacific. Such issues relate to the Navy, Marine Corps, and Air Force, and to deployments outside of Korea, in and near Japan and the Philippines, for example. A wide range of choices is available, including reductions and restructuring of U.S. forces. For example, it might be reasonable to transfer some force elements in the Pacific to the United States or the Atlantic for NATO-related contingencies. However, there are important dilemmas where competing U.S. objectives make choices difficult.

Competing U.S. Policy Objectives in East Asia

The United States pursues competing objectives in its policy toward East Asia. One important objective is to discourage nuclear proliferation. Another objective is to induce allies to become more self-reliant, particularly in providing ground forces to be used in their own defense. Another objective has been to

encourage stability, particularly in Northeast Asia. The presence of U.S. forces makes conflict in Korea less likely. Substantial reduction of these forces may increase the probability that either South Korea or Japan, or both, would choose to acquire nuclear weapons. Greater military self-reliance for these two countries and a reduced U.S. role may conflict with the goal of regional stability.

Current Deployment and Baseline Force Structure

Since the Korean War of 1950-1953, the United States has maintained a significant portion of its military forces deployed in Korea, Japan (including Okinawa), and the Philippines. At the peak of U.S. combat involvement in the Vietnam war in 1968-1969, the United States had 622,000 military personnel in Southeast Asia alone. The withdrawals that began in 1969 and continued after the end of U.S. direct combat involvement in Vietnam also significantly reduced the U.S. personnel in Northeast Asia. They cut overall U.S. military personnel deployed in the Western Pacific and East Asia by almost 50 percent below the pre-Vietnam level in fiscal year 1964.

Despite these major reductions in numbers of military personnel in the Western Pacific and East Asia, substantial U.S. forces remain there. The Navy and Marine Corps have nearly a half and at least a third of their combat forces deployed in the Pacific, respectively. The Army and Air Force also have forces and facilities of major importance in the region, such as the U.S. Second Infantry Division in South Korea and the large U.S. Air Force base in the Philippines.

MILITARY PERSONNEL DEPLOYED IN WESTERN PACIFIC AND EAST ASIA

<u>Fiscal Year 1964</u>	<u>Fiscal Year 1968</u>	<u>Fiscal Year 1977</u>
251,000	874,000	133,000

U.S. Contribution to the Security of Japan

Although the number of U.S. military personnel stationed in Japan in fiscal year 1977 is 42 percent less than what it was in mid-1970, the level remains substantial and reflects both the importance the United States attaches, and the major contribution it makes, to Japan's security. In the past, prior to and during the Vietnam war, considerable sentiment in Japan viewed the U.S. bases there and the Mutual Security Treaty as benefiting the United States more than Japan and indeed regarded the U.S. bases as a liability. Recently, however, increased support for the Mutual Security Treaty relationship has been observed in public opinion surveys and the Japanese national government has not urged further reduction or consolidation of U.S. bases. Japan, by its own assessment, cannot defend itself against other than a small-scale conventional attack without U.S. assistance.

Although all components of U.S. forces in East Asia and the Western Pacific are obviously not of equal value to Japan's security, the overall contributions of these forces are critical. For example, a major mission of the U.S. Navy's Seventh Fleet in the Western Pacific is to protect the sea line from Indonesia to Japan. That sea line is vital to Japan for delivery of oil and raw materials. It is of a much less direct value to the United States. The Japanese Government has also stressed the importance it attaches to continued peace in Korea and the role U.S. forces perform there in deterring attack and promoting stability on the Korean peninsula.

The cost of Japan's defense effort in 1976 was \$5 billion, following a long-standing practice of allocating about 1 percent of its GNP to defense. The United States has urged Japan to increase its defense effort, particularly in antisubmarine warfare and air defense. However, Japanese defense spending is constrained by domestic political considerations, by the anxiety, diminishing in recent years, that other Asian nations feel about increasing Japanese military strength, and by the fact that the Japanese do not feel particularly threatened in a world in which the United States guarantees their security and in which progress is being made in improving relations between the superpowers.

Burden sharing and enhanced cooperation by the United States and Japan for mutual security are likely to remain important agenda topics for the alliance.

U.S. Forces in Korea: The Level and Role

There were 41,336 U.S. military personnel in South Korea at the end of March 1977. This level has declined only slightly since 1971 when the United States withdrew one of the two U.S. infantry divisions stationed there. Reasons cited for that reduction were increases in South Korean military capability and demonstrated growth of the South Korean economy.

During 1971, South Korea began a modernization program for its military forces with U.S. military assistance support of \$1.5 billion. During 1975, prompted by the collapse of U.S.-supported forces in Vietnam, the South Korean Government initiated a further \$4-5 billion Force Improvement Plan (FIP). By 1980, much of the FIP should be completed, emphasizing acquisition of fighter aircraft and more modern tanks, plus domestic production of small arms and some artillery.

In terms of growing capability to deter and defend against an attack by North Korea, time seems clearly to be on the side of the South, with its much stronger economic base. North Korea, however, has not been static since 1971. It has in fact become less dependent on support from the People's Republic of China and the Soviet Union by building up its own domestic weapons production capacity. Since the early 1970s, it has increased its armored divisions from one to two.

In recent years, rationales for the remaining U.S. infantry division, located north of Seoul, have not been couched in terms of military or "war-fighting" need, given the size of and improvements in South Korean ground forces. Instead, the principal rationale has been in terms of the division's role in providing high confidence deterrence of a North Korean attack that would come with "little warning"; in deterring PRC and Soviet support of such an assault; and in promoting stability on the peninsula.

Principal military requirements for U.S. forces in Korea are for tactical air and logistical support for South Korea in event of a North Korean attack. Need for logistical support is expected to continue at least through 1980, and the need for tactical air support for a longer period.

In weighing further reduction in U.S. ground forces in South Korea, the following are some of the considerations involved:

- o The United States faces a trade-off between involvement and control. Substantially reduced U.S. presence, and associated diminished U.S. role in the command and control structure of South Korean and U.S. forces, may conflict with the goal of stability on the Korean peninsula.
- o Although the political impact of U.S. force reductions is not necessarily direct or predictable, some knowledgeable observers argue that substantial reductions might induce a further tightening of repressive measures in the South.
- o Because other U.S. force elements, such as tactical air and air defense support, which are considered critical to South Korea's defense needs, would probably be retained, the withdrawal of the division may not significantly reduce the risk of early U.S. combat involvement in a renewed Korean conflict.
- o If the infantry division were withdrawn from Korea in fiscal years 1978-1980 and retained in the force structure for NATO-related missions, it would add about \$150 million in program costs between fiscal years 1978 and 1982, mostly as the result of rebasing in the United States. Beginning in fiscal year 1983, after the one-time rebasing and relocation costs were incurred, the annual recurring cost of the division based in the United States would be about \$110 million less than if based in Korea. If the division's equipment were left in South Korea for South Korean forces -- as was done in 1971 -- then the replacement cost for the U.S. infantry division's equipment could approach \$1 billion.

The Problem of Identifying Forces "for Asia" and Their Costs

It is very hard to say just what parts of U.S. general purpose forces should be assigned exclusively to one or another set of regional contingencies. U.S. Army troops stationed in Europe or Korea are perhaps the least ambiguous examples of regional commitments. But other forces, such as tactical air or naval forces, are much more difficult to categorize. Some observers have assumed that all U.S. forces located in and around the

Pacific basin are "for Asia." Others point out that much of the force now located in the Pacific could be used in Europe if that were required.

Thus, there is no direct and unambiguous answer to the question of what U.S. Asian policy costs in terms of required military forces, and hence there is no specific baseline force for Asia. In what follows, then, the costs of various alternative force postures in the Pacific are compared with those of the forces programmed by the Department of Defense for fiscal years 1978-1982.

Alternatives to the Present Posture in East Asia and the Pacific

Evaluation of alternatives to the present U.S. posture in East Asia and the Pacific rests on several basic assumptions about the overall U.S. general purpose force structure:

- o Whether U.S. general purpose forces in East Asia and the Pacific are judged excessive, adequate, or inadequate when related to military and political requirements in that region
- o Whether forces in Europe and in the United States that are designated "for NATO" are adequate or inadequate to meet military and political requirements in that theater.

Force reductions. Removing forces from Asia and deleting them from the U.S. force structure would imply two assumptions:

- o General purpose forces in East Asia and the Pacific are in excess of military and political requirements in that region.
- o General purpose forces identified for Europe or NATO are sufficient to meet military and political requirements for that region.

Several options would be consistent with these assumptions, including some options that are variations more in scope than in kind. The options discussed in this paper are as follows:

- A-1. Withdraw the U.S. Army infantry division from South Korea and remove it from the force structure.

- A-2. Reduce the division in South Korea to a brigade; delete remainder from the force structure.
- B-1. Delete from the force structure the two-thirds of a Marine division and air wing in Japan.
- B-2. Reduce by 50 percent the Marine Corps presence in Japan, from two regiments to one on Okinawa, with proportional reduction in the air wing component.
- C. Delete the U.S. Army infantry division in Hawaii from the force structure.
- D-1. Reduce U.S. Navy aircraft carriers forward deployed in the Western Pacific from two to one; delete the one forward-deployed carrier and two supporting carriers and related ships and aircraft from the force structure.
- D-2. Continue forward deployment of two carriers in the Western Pacific, but homeport a second carrier in either Japan or the Philippines, thereby enabling deletion of two carriers from the force.
- E. Delete the two U.S. Air Force tactical air squadrons in the Philippines from the force structure.

Force realignments. Forces removed from Asia might be retained if the second assumption were modified:

- o General purpose forces identified for Europe or NATO are insufficient to meet military and political requirements in that theater.

In that case, the options consistent with the assumptions would include

- F. U.S. Army infantry division in South Korea withdrawn, but retained in force structure and relocated in the continental United States.
- G-1. Three U.S. Navy aircraft carriers, aircraft and related ships transferred to the Atlantic, based upon reducing the forward-deployed carriers in the Western Pacific from two to one.

G-2. Or, two carriers transferred, based upon homeporting a second carrier in the Western Pacific.

Force enhancement in Northeast Asia. Since there is a consensus that U.S. forces in Northeast Asia are the most important part of our Asian deployments, we may wish to enhance those forces, whether or not we decide to realign or draw down deployments to Asia and the Pacific generally.

An illustrative force enhancement option could involve the following:

- o Increasing the number of tactical aircraft in Korea (by transferring the two F-4 squadrons from the Philippines), improving the air defense control system, and increasing aircraft shelter protection in South Korea;
- o Providing better command and control facilities in the theater;
- o Increasing the degree of cooperation between U.S. and Japanese forces.

These would be appropriate if it were desirable to improve the capability of the forces deployed. They could be undertaken with or without any major force reductions or redeployments.

COST IMPACTS OF OPTIONS, RELATIVE TO THE PRESIDENT'S FISCAL YEAR 1978
PROGRAM: IN MILLIONS OF FISCAL YEAR 1977 DOLLARS

ALTERNATIVES TO THE PRESENT POSTURE IN EAST ASIA AND IN THE PACIFIC

	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981	Fiscal Year 1982	Fiscal Years 1978-1982
<u>I. FORCE REDUCTIONS</u>						
A-1. Delete infantry division in South Korea from force structure	-100	-300	-500	-600	-600	-2,100
A-2. Reduce division in South Korea to one brigade; delete the rest and its support	-60	-200	-330	-400	-400	-1,390
B-1. Delete from force structure the two-thirds of a Marine division and air wing in Japan	-50	-170	-300	-360	-360	-1,240
B-2. Reduce Marine Corps presence in Japan by 50 percent	-25	-85	-150	-180	-180	-620
C. Delete Army infantry division in Hawaii from the force structure	-70	-140	-290	-290	-290	-1,080
D-1. Reduce aircraft carriers forward deployed in Western Pacific from two to one; delete three carriers from the force	-140	-440	-730	-880	-880	-3,070
D-2. Homeport a second carrier in Japan or the Philippines; delete two carriers from force	-85	-400	-540	-540	-540	-2,105
E. Delete two USAF tactical squadrons in Philippines	-20	-60	-80	-80	-80	-320

(continued)

(Cost of Options, continued)

	Fiscal Year 1978	Fiscal Year 1979	Fiscal Year 1980	Fiscal Year 1981	Fiscal Year 1982	Fiscal Years 1978-1982
<u>II. FORCE REALIGNMENTS</u>						
F. Return infantry division in South Korea to continental United States for NATO	+100	+60	+10	-10	-10	+150
G-1. Transfer three aircraft carriers from the Pacific to the Atlantic by reducing the forward-deployed carriers in the Western Pacific from two to one	+30	+30	+30	0	0	+90
				(costs of rebasing carriers for Atlantic deployment not included)		
G-2. Transfer two aircraft carriers from Pacific to Atlantic by homeporting second carrier in Western Pacific	+30	+30	+30	+20	+20	+130
<u>III. FORCE ENHANCEMENT IN NORTHEAST ASIA</u>						
H. Increase tactical air presence, improve air defense, enhance command, control, and communications	+83	+64	+11	+8	+8	+174

This report provides a general framework for considering the current U.S. general purpose forces deployed in East Asia and the Pacific. It presents several alternative postures and discusses their budgetary impacts over fiscal years 1978-1982.

Chapter II compares the U.S. defense posture in East Asia and the Pacific with that in Western Europe and the Atlantic, taking into account the fundamental similarities and differences in geography, military situation, and politics that mark the two regions.

Next, in Chapter III, the paper reviews recent post-Vietnam foreign policy toward Asia, focusing in particular on the competition among U.S. policy objectives. The chapter recapitulates the Guam Doctrine articulated by the Nixon Administration in 1969-1970, taking note of its emphasis on increased self-reliance of allies, particularly in providing ground forces. The bases for the changes in the planning guidance for general purpose forces, assuming one and one-half "major" instead of two and one-half "major" conflicts for sizing forces, are described, with emphasis on the impact of the Sino-Soviet conflict.

Chapter IV discusses the general economic and political interests of the United States, focusing on Japan as the most important U.S. ally in Asia. This section describes the limited Japanese self-defense capabilities and the principal concerns of Japan with growing Soviet naval capabilities in the Pacific and with the possibility of instability and renewed conflict on the Korean peninsula.

The fifth chapter considers those threats and contingencies in East Asia and the Pacific that are most relevant to evaluating the adequacy of U.S. forces. Topics examined in this section include Soviet capabilities in the region, the possibility of a North Korean attack on South Korea, a "brush fire" elsewhere in East Asia, worldwide conventional conflict with the Soviet Union, and the possibility of a Soviet interdiction of sea lines of communication to Japan.

Chapter VI looks at the Korean peninsula in terms of the military balance between South and North Korea, the roles of U.S. forces in South Korea, the future phased removal of the remaining U.S. infantry division there, and the possible consequences of that withdrawal.

The final chapter in the report describes the current general purpose posture deployed in East Asia and the Pacific. The paper concludes with a discussion of the rationales and budgetary impacts of several options, including force reduction, realignment toward NATO tasks, and enhancement of U.S. posture in Northeast Asia.

CHAPTER II. GENERAL CONTEXT FOR POLICY FOR U.S. FORCES RELATED
 TO ASIA: SIMILARITY AND CONTRAST TO EUROPE

In Europe and East Asia, the Soviet Union poses the threat of paramount concern to the United States. Since the outset of the containment policy in the late 1940s and early 1950s, the United States has maintained a posture of "forward defense" in both regions. This involves overseas U.S. troop deployments and mutual defense agreements with allies to deter aggression and enable defense of territory on the Eurasian continent, reducing the likelihood of costly efforts to regain seized territory.

In both regions the United States has sought to prevent nuclear proliferation by some major allies, especially Japan and West Germany, not only by maintaining forward U.S. military deployments near or in the territory of these allies but also by providing a strategic nuclear "umbrella" or "shield" to deter nuclear blackmail or attack against key allies.

A major unstated function of the large U.S. force presence in Western Europe and the Western Pacific has been to make the growing economic and military strength of West Germany and Japan of less concern to other nations in these areas.

Despite these general similarities, there are important differences between the geographic, military, and political context of the U.S. defense posture in East Asia and in Western Europe.

In Western Europe, the presence of Soviet armored divisions in Eastern European countries bordering on West Germany makes the threat dramatically evident, near, and relevant to Western Europe's, particularly West Germany's, security.

In East Asia today, in contrast to Central Europe, the Soviet Union's 40-odd divisions pose a threat, not to the allies of the United States, but instead to a former ally and now implacable foe of the Soviets, the People's Republic of China (PRC). Only about 30 percent of the Soviet Navy is in its

Pacific fleet, which, compared to other Soviet fleets and to the U.S. Pacific Fleet, is relatively inactive in terms of out-of-area deployment of surface combatants.

In contrast to the situation in the Atlantic, the U.S. Navy in the Pacific would not face the demanding task of protecting large numbers of convoys to sustain a massive allied response to a Soviet attack in a conventional land war. In the Pacific, the task basically would be to protect economic shipping, primarily to Japan. Although important, this task would be less demanding than the NATO task, especially if a few critical imports such as petroleum have been stockpiled.

The principal ally of the United States in Asia is Japan, an island nation to whom, possibly largely because of U.S. presence and commitment, the military threat seems basically intangible and remote, and to whom the possibility of an attack seems highly hypothetical. The Soviet threat, although a matter of concern to the United States and Japan, does not have the immediacy it has positioned across the border in Central Europe.

With the important exception of North Korean capability to attack South Korea with little warning, there are now few plausible direct military threats to the United States or its allies in Asia. Insurgency, however, remains a matter of serious direct concern to some U.S. allies in East Asia, such as the Philippines and Thailand. Vietnam's future role and policy in Southeast Asia is a matter of some anxiety in the region.

In Europe, the United States is allied in the multilateral NATO organization, with a multilateral command and planning structure. There is a general consensus on the gravity and focus of the Soviet threat to the central front. In East Asia, the alliance relationships with the United States are basically bilateral. There is not, compared to NATO, a common sense of threat.

In the case of Japan, there has not been such a close coordination of defense efforts. Mutual defense obligations were deliberately not made reciprocal, but instead rather one-sided. Japan does not have a reciprocal commitment to respond to an attack upon the territory of the United States. This unusual alliance relationship is derived from the established premise of U.S. policy after World War II that substantial rearmament by Japan would be destabilizing. Also, there is a lack of

domestic consensus in Japan to support anything approaching an integrated defense relationship such as the United States has within NATO. The U.S. forces deployed in Japan and elsewhere in the Western Pacific, particularly the Seventh Fleet, contribute importantly to Japanese security. The Japanese Self-Defense Forces are not expected to repel other than a small-scale attack without direct assistance. The U.S. commitment to defend Japan has allowed Japan to concentrate on economic growth and allocate annually slightly less than 1 percent of its GNP to defense since the mid-1960s, compared to about 4 percent recently allocated by some other key allies, such as West Germany.

CHAPTER III. RECENT U.S. FOREIGN POLICY AND FORCE PLANNING
GUIDANCE RELATING TO ASIA

RECENT U.S. FOREIGN POLICY TOWARD ASIA

Since the collapse in 1975 of U.S.-supported forces in Vietnam, major statements by the executive branch of U.S. policy toward East Asia and the Western Pacific have stressed that 1/

- o Stability in Asia and equilibrium in Northeast Asia in particular are "essential to our peace and safety" and cannot "be maintained without our active participation."
- o Japan is the key ally of the United States in Asia, "equally vital" as Western Europe.
- o The United States will maintain its treaty commitments "throughout Asia and the Pacific" and, while seeking "all honorable ways to reduce tensions and confrontation," is specifically resolved to preserve "the peace and security on the Korean peninsula," which is of "crucial importance to Japan."
- o The United States will continue "efforts to normalize diplomatic relations with the People's Republic of China," with which the United States has "parallel strategic interests in maintaining stability in Asia."

President Carter recently declared a commitment to withdraw American ground troops from South Korea over "a four- or five-year

1/ Secretary Kissinger's address to Japan Society in New York (June 18, 1975), p. 3; speech to Economic Club of Detroit (November 24, 1975), pp. 4-6; and to Rotary Club of Seattle (July 22, 1976); President Ford's address "A Pacific Doctrine of Peace With All and Hostility Toward None" (December 7, 1975); see also Joint Communique of President Carter and Prime Minister Fukuda (March 22, 1977), and President Carter's address to the General Assembly of the United Nations (March 17, 1977).

time period," with the schedule for withdrawal "to be worked out very carefully with the South Korean government" and also "with the full understanding and perhaps participation of Japan." The Carter Administration also has indicated that a continued U.S. tactical air presence, logistical support, and intelligence elements will remain in South Korea over a longer period of time. 2/ Apart from the need to supplement improving South Korean capabilities and to protect sea lines of communication to Japan, much of the continuing substantial, although diminished, U.S. forward deployments in East Asia and the Western Pacific have been justified on the basis of "political presence" requirements for stability and credibility of commitments rather than military missions. 3/

COMPETING U.S. POLICY OBJECTIVES IN EAST ASIA

The United States has competing policy objectives toward East Asia which pose dilemmas in weighing alternative force structures. An important general U.S. objective emphasized by President Carter is to discourage nuclear proliferation. Another objective is to induce allies to become more self-reliant, particularly with respect to ground forces to be used in their own defense. Still another principal objective is to encourage stability, particularly in Northeast Asia.

Perhaps the objective of discouraging nuclear proliferation (to South Korea, and perhaps thereby indirectly to Japan in response) may not be served by withdrawing the remaining U.S. infantry division from South Korea. Greater self-reliance for South Korea, and perhaps Japan, may at some point also conflict with regional stability in Northeast Asia. The U.S. policy of

2/ President Carter's press conference statement, March 9, 1977, p. 5 of White House transcript. See also Vice President Mondale's arrival statement, Tokyo, Japan (January 30, 1977) and press conference on February 1, 1977, in Tokyo.

3/ Secretary Schlesinger's response to questions, House Committee on Armed Services (HCAS), Hearings on Military Posture (Part 1) FY 1975 (93:2), p. 51; see also Annual Defense Department Report FY 1978 (January 17, 1977), by Secretary Rumsfeld (hereafter referred to as Rumsfeld FY 1978) pp. 38-39, 109.

encouraging Japan to increase her very modest defense effort is made more difficult, in part, not only because of continued U.S. force deployments near and in Japan, but also because of the general U.S. policy of detente, particularly with the Soviet Union.

PLANNING GUIDANCE FOR GENERAL PURPOSE FORCES RELATED TO ASIA

In 1969, the United States adopted what became known as the Guam Doctrine, or Nixon Doctrine, relating to U.S. defense posture in the Pacific and East Asia. The Guam Doctrine was an attempt to define a U.S. role in Asia and in the Pacific area after the Vietnam war and to avoid "another war like Vietnam."

In December 1975, President Ford reaffirmed fundamentally the Guam Doctrine in his Pacific Doctrine that stressed a continuing U.S. interest and an active role in East Asia and the Western Pacific. 4/ The Guam Doctrine was succinctly summarized in President Nixon's Foreign Policy Report to the Congress in February 1970: 5/

- o The United States will keep all its treaty commitments.
- o We shall provide a shield if a nuclear power threatens the freedom of a nation allied with us, or of a nation whose survival we consider vital to our security and the security of the region as a whole.
- o In cases involving other types of aggression we shall furnish military and economic assistance when requested and as appropriate. But we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defense.
[Emphasis added.]

4/ President Ford, "A Pacific Doctrine of Peace With All and Hostility Toward None" (December 7, 1975).

5/ President Nixon, U.S. Foreign Policy for the 1970's: A New Strategy for Peace (Report to the Congress, February 18, 1970) (hereafter referred to as FPR 1970), pp. 7, 55-56; see also Presidential Papers of Richard M. Nixon (July 25, 1969), pp. 546, 552, 555.

In 1971, the Administration announced and undertook substantial reductions in U.S. military personnel in East Asia, beyond those being withdrawn from Vietnam and Thailand. The reductions announced in 1971 were 20,000 from South Korea, 12,000 from Japan, 5,000 from Okinawa, and 9,000 from the Philippines. In the case of the U.S. decision to withdraw one of its two infantry divisions from South Korea, the President's Foreign Policy Report to the Congress in early 1971 cited as a rationale the substantial increases in the military capability of South Korea and its "remarkable" recent economic growth rate. The report emphasized the need for and U.S. commitment to modernization of South Korea's armed forces to enable them "to carry a larger share of the Korean burden." 6/

There were, of course, other factors in addition to the Guam Doctrine that produced pressure for reduction in general purpose forces, particularly ground forces, deployed in East Asia. The U.S. troop withdrawals from Vietnam were explained in part by references to the Guam Doctrine's emphasis on self-reliance. But some major reductions in general purpose forces probably would have occurred in any event without the doctrine, not only because of the growing opposition to U.S. involvement in the Vietnam war but also because of Administration efforts to restrain the defense budget generally and to absorb the impact of great increases in manpower costs associated with an all-volunteer force.

"One and one-half" Instead of "Two and one-half" War Contingency Assumption

About the same time as the adoption of the Guam Doctrine in 1969-1970, the Nixon Administration also announced an important change in basic planning assumptions for general purpose

6/ President Nixon, U.S. Foreign Policy for the 1970's: Building for Peace (Report to the Congress, February 25, 1971), pp. 95-96 (hereafter referred to as FPR 1971); see also Secretary Laird's Annual Defense Report for FY 1972, p. 109 (hereafter referred to as Laird FY 1972), for estimate that over a five-year period the "total net savings -- that is, U.S. withdrawal and deactivation savings minus incremental Korean modernization costs -- could amount to about \$450 million."

forces. The background of the revised planning assumption was summarized as follows 7/

The stated basis of our conventional posture in the 1960's was the so-called "two and one-half war" principle. According to it, U.S. forces would be maintained for a three-month conventional forward defense of NATO, a defense of Korea or Southeast Asia against a full-scale Chinese attack, and a minor contingency -- all simultaneously. These force levels were never reached.

In the effort to harmonize doctrine and capability, we chose what is best described as the "one and one-half war" strategy. Under it we will maintain in peace-time general purpose forces adequate for simultaneously meeting a major Communist attack in either Europe or Asia, assisting allies against non-Chinese threats in Asia, and contending with a contingency elsewhere.

A major basis for the new "one and one-half war" planning assumption was recognition of the significance of the Sino-Soviet conflict. As the President's Foreign Policy Report of 1970 noted, 8/

The prospects for a coordinated two-front attack on our allies by Russia and China are low both because of the risks of nuclear war and the improbability of Sino-Soviet cooperation. In any event, we do not believe that such a coordinated attack should be met primarily by U.S. conventional forces. [Emphasis added.]

In February 1970, the posture statement of the Department of Defense, in discussing the general implications of the "one and one-half war" strategy, stated that 9/

7/ FPR 1970, pp. 128-29.

8/ Ibid., pp. 128-29.

9/ Defense Program and Budget, Secretary Laird (February 1970), p. 54 (hereafter referred to as Laird FY 1971).

In Asia, we seek to help our allies develop the capability to defend themselves with the U.S. providing materiel and logistic support. However, most of these countries lack adequate air and sea power. Considerable time and resources will be required to solve this problem.

The Defense Report of February 1975, in discussing the "one and one-half war" planning guidance, stressed the significance of the assumption of continued Sino-Soviet conflict. The report also noted some expected functions of U.S. general purpose forces deployed in East Asia and the Pacific if a crisis or conflict in Europe occurred: 10/

. . . should a crisis erupt in Europe, we would have several major objectives in Asia: first, to deter adventures by other Asian nations; second, to prevent forces currently deployed in Asia from being transferred west of the Urals; and third, to discourage the opening of another front in Northeast Asia, whether on land or at sea. Our deployments in Korea and Okinawa, together with the "swing" forces in Hawaii, California, and Washington, provide us with the basic means to achieve these objectives. Indeed, these deployments are an outstanding example of the classical military principle of economy of force.

IMPORT OF THE SINO-SOVIET CONFLICT FOR U.S. POSTURE IN EAST ASIA
AND THE WESTERN PACIFIC

As noted above, the Sino-Soviet conflict was the primary basis for the United States changing its planning guidance for general purpose forces for force sizing, from assuming the possibility of two major conflicts plus a smaller contingency to assuming one major conflict with the Soviet Union plus a smaller contingency.

10/ Annual Defense Department Report, FY 1976 and FY 1977, Secretary Schlesinger (February 1975), pp. III-10,30 (hereafter referred to as Schlesinger FY 1976).

This change would seem to impose a lessened requirement for general purpose forces. President Carter has suggested that the Sino-Soviet conflict and U.S.-PRC rapprochement are, along with increased South Korean military capabilities, an important "strategic" reason for the withdrawal of the remaining U.S. infantry division in South Korea. 11/

On the other hand, the growth in Soviet general purpose capability, particularly against NATO, has been a principal rationale for increasing U.S. general purpose forces capability, such as increasing active Army divisions from 13 to 16 and increasing the mechanized strength of those divisions.

It has been suggested that continued substantial U.S. deployments in East Asia and the Western Pacific have been recently (post 1969-1971) desired by the People's Republic of China (PRC) as a counterbalance to Soviet power in the Far East, the growth of which has been a matter of grave concern to Peking. 12/

Substantial U.S. reductions in forward deployments in East Asia and the Western Pacific might weaken the PRC resolve not to move toward major rapprochement with the Soviet Union. Such a rapprochement with Moscow would affect U.S. planning assumptions for general purpose forces, which since 1969-1970 have taken into account the Sino-Soviet split. Peking's motivations in its schism with Moscow are deeply ingrained, however, and are very much the product of nationalistic inclinations and domestic political needs for cohesion. Consequently, changes in U.S. force posture in the Pacific would probably have a minor impact on the likelihood of continued split between the People's Republic of China and the Soviet Union.

In any event, it seems likely that Peking is more concerned about some U.S. reductions (particularly in naval, perhaps also in tactical air forces) than others in terms of relevance to counterbalancing the Soviet power in the Far East. Moreover, given acknowledged PRC concern with a strong NATO as a

11/ President Carter's news conference, May 26, 1977 (White House transcript), p. 3.

12/ Testimony of Secretary Schlesinger, HCAS, FY 1975 (93:2), p. 51; see also an interview with Schlesinger, "Inside China Now," U.S. News and World Report (October 18, 1976), p. 42.

counterweight to the Soviets, it may be that force elements reduced in the Pacific, but transferred for use in the Atlantic/NATO area would be less a matter for anxiety in Peking. It may also be the case that access to some Western technology, such as air defense systems or antitank weapons to counter the Soviet armored strength along the Sino-Soviet border, could be seen by Peking as more important to its security than the impact of reduction in some U.S. forward deployments in East Asia and the Western Pacific.

CHAPTER IV. INTERESTS AND COMMITMENTS OF THE UNITED STATES: THE FUNDAMENTAL RELATIONSHIP WITH JAPAN

The United States has significant economic interests in East Asia, including its relationship with Japan, its largest overseas trading partner. However, East Asia is of greater direct economic importance to Japan in terms of share of total trade, of direct foreign investment, and of sources of raw materials. The substantial U.S. forces deployed in the Western Pacific make a vital contribution to Japanese security, both in a direct military sense and in terms of stability of a region of major economic significance to Japan. Japan's own military effort is deliberately quite constrained (no more than 1 percent of its GNP since the mid-1960s), reflecting domestic political constraints, foreign concern with Japan's military potential, and Japan's reliance upon the defense commitment and major forward-deployed military force presence of the United States.

The United States has a fundamental political interest in the continued orientation of Japan toward the West with a posture that is not destabilizing because of other nations' anxiety about and reaction to Japanese military capabilities. Nonetheless, important issues for the U.S.-Japanese alliance will remain how to share the defense burden and how to enhance effective cooperation in military functions, such as protection of sea lanes to Japan.

ECONOMIC INTERESTS

Present and previous Administrations have stressed the importance of U.S. economic interests in East Asia and the Western Pacific. The region, including Japan, is economically significant to the United States in terms of U.S. exports (lumber, coal, raw cotton, soybeans, grains) and imports of some critical raw materials (bauxite from Australia, oil and natural rubber from Indonesia, tin from Malaysia and Thailand). However, the relative economic importance of East Asia is considerably greater to Japan than to the United States in terms of direct foreign investment, share of total trade, and sources of critical raw materials.

The United States does have significant investments in Australia, Japan, South Korea, Indonesia, and elsewhere in East Asia; but their value is very small compared to U.S. investments in Canada and Western Europe. 1/ Japan, since the late 1960s, has substantially increased its direct foreign investment in East Asia (particularly in Indonesia, Korea, Thailand, and Taiwan) to a level that has recently accounted for the largest regional share (34 percent in 1975) of such Japanese investment. 2/

With respect to raw materials, the President's Council on International Economic Policy (CIEP) on critical imported materials has reported: 3/

The major supplying areas of concern to Europe and Japan differ from ours. Japan's sources reflect significant concentration in Australia, South and Southeast Asia. Europe relies on Africa more than the United States or Japan. The United States relies on Canadian and Latin American sources to a significantly greater extent than Europe and Japan. [Emphasis added.]

In the case of oil, it is worth noting that during 1975, 73 percent of the crude oil imports of Japan came from the Persian Gulf and 11 percent from Indonesia. For the United States, the

1/ Department of Commerce, Highlights of U.S. Export and Import Trade FT 990, December 1975; Council on International Economic Policy (CIEP), Special Report: Critical Imported Materials (December 1974), pp. 24, 44; International Economic Report to the President (March 1976), pp. 66-67.

2/ Consulate General of Japan, Japan Report (December 1976); M. Y. Yoshino, "Japanese Foreign Direct Investment," The Japanese Economy in International Perspective, edited by Isaiah Frank (Johns Hopkins, 1975), pp. 250-70.

3/ CIEP, pp. 42, 44.

comparable figures were 27 percent from the Persian Gulf and 8 percent from Indonesia. 4/ Also, the vast majority (77 percent in 1975) of Persian Gulf exports to the United States travel the shorter route around the southern cape of Africa to U.S. ports on the Gulf and east coast. 5/ One significant implication of these figures is that the sea line of communication (SLOC) from the Persian Gulf through straits near Indonesia is devoted almost entirely to Japan's petroleum needs, not those of the United States. Therefore, the SLOC protection mission of the U.S. Navy from the straits in Indonesia to Japan is of critical significance to Japan and of much less direct importance to the United States. The map of world crude oil movements (Figure 1) on the next page makes this quite clear.

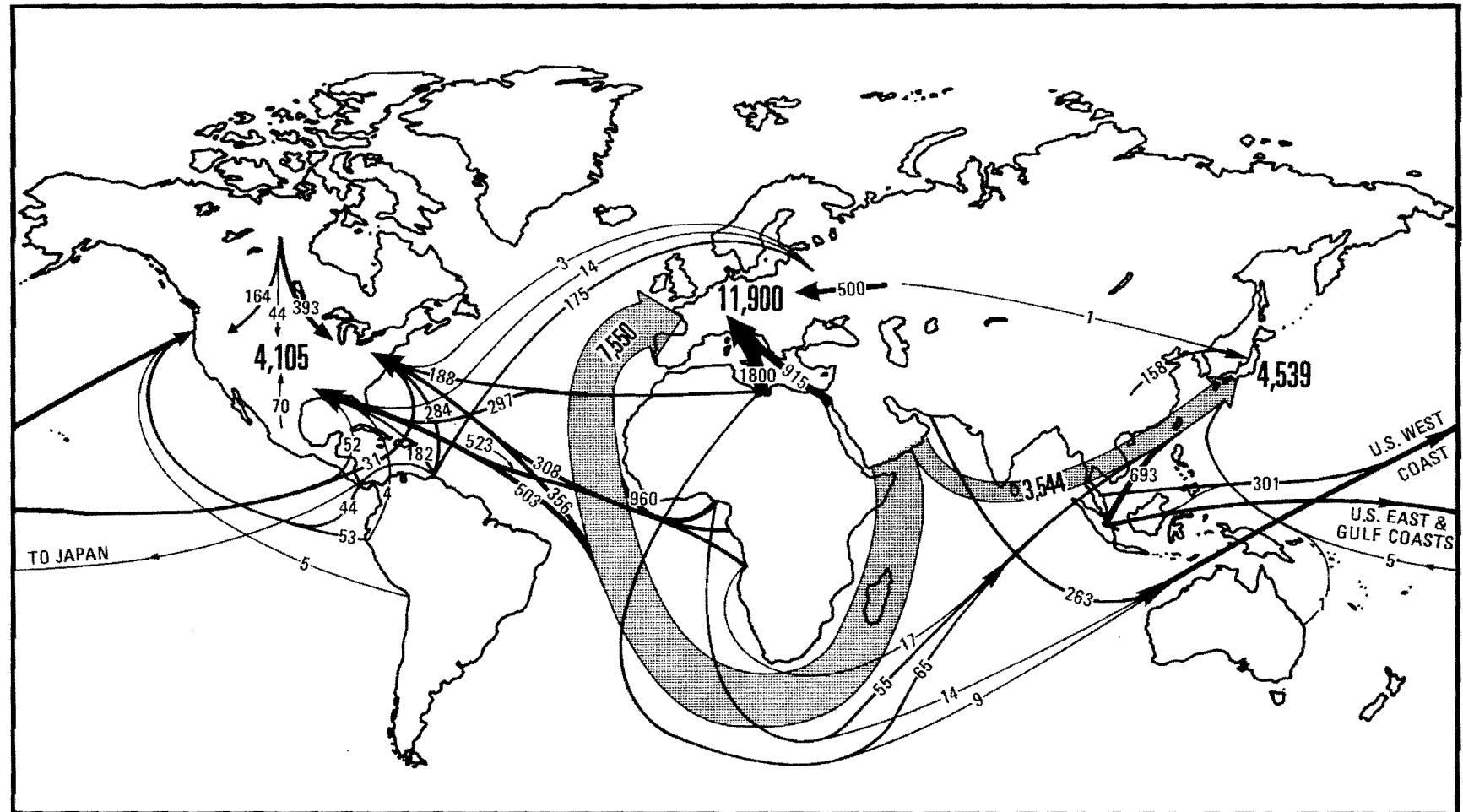
POLITICAL INTERESTS

The United States has an important interest in the stability and security of Asia, particularly Northeast Asia. Japan, with a GNP second only to the United States among industrial democracies, has an importance to the United States that goes beyond trade, because of the existing economic and potential military power of Japan. Perhaps the most important U.S. interest in Asia is in the continued orientation of Japan toward the West, with a military posture that is not regarded as destabilizing.

4/ Central Intelligence Agency, International Oil Developments, Statistical Survey, December 16, 1976, p. 5. (Persian Gulf defined as Saudi Arabia, Kuwait, Iran, Iraq, United Arab Republic, Bahrain, Oman, and Qatar.)

5/ Bureau of Mines, Department of the Interior, Petroleum Statement (December 1975), pp. 16-17. The crude oil imports to the United States that come across the Pacific from Indonesia and the Persian Gulf represented 3.5 percent of total U.S. domestic consumption in 1975. For Japan, the crude oil imports that are shipped via and up from Indonesia through the Western Pacific represented nearly all the domestic consumption of Japan.

Figure 1. Preliminary World Crude Oil Movements to Major Consuming Areas — 1975
(Thousand Barrels per Day)



Note: Arrows indicate origin and destination but not necessarily specific routes.

SOURCE: Adapted from Bureau of Mines, Division of Petroleum and Natural Gas, July 1976.

Considerable difference of opinion can remain, however, on the specific implications of U.S. Asian interests for existing baseline and alternative U.S. force deployments in East Asia and the Western Pacific.

COMMITMENTS THROUGH TREATY OBLIGATIONS

The United States has bilateral mutual defense treaties, with generally similar language, with four nations in East Asia (Japan, Korea, Philippines, and Taiwan) and multilateral mutual security obligations with three others in the Southwest Pacific and Southeast Asia (Australia and New Zealand in the ANZUS Pact and Thailand via the Southeast Asia Collective Defense Treaty). Most of these formal commitments were undertaken in the context of the Korean War and the early containment policy of the Truman and Eisenhower Administrations.

THE FUNDAMENTAL RELATIONSHIP WITH JAPAN

Because of its economic size and potential military power, Japan is the key ally of the United States in Asia. The relationship of the United States to Japan and Japan's role in Asia are critical to a policy of encouraging stability in that region.

The commitment of the United States to the security of Japan is embodied in the 1960 Treaty of Mutual Cooperation and Security, reaffirmed in 1970. Compared to other mutual defense treaties, the U.S.-Japanese mutual security treaty is somewhat one-sided. Unlike the treaty with NATO, for example, although the United States is committed to respond to an attack upon Japan, Japan does not have a reciprocal obligation to respond to an attack on U.S. territory. ^{6/} This is consistent with the

^{6/} Fred Greene, Stresses in U.S.-Japanese Security Relations (Brookings, 1975), pp. 2, 25.

fundamental U.S. policy premise that major Japanese rearmament, particularly the acquisition of an independent nuclear capability, would not be in the best interest of either Japan or the United States.

This fundamental U.S. policy is reflected in the post-World War II Constitution of Japan, Article IX of which renounces war. This has been interpreted to permit only forces that are part of the inherent right of self-defense. Japanese public opinion and opposition party views have not supported a stronger military role for Japan. Indeed, the U.S.-Japanese Mutual Security Treaty itself has not always had strong popular support in Japan. U.S. bases have been seen by some Japanese as primarily benefiting the United States and indeed a liability to Japan because of potential entanglement with U.S. military actions elsewhere in Asia. 7/ Recently, however, increased support for the Mutual Security Treaty relationship has been observed in public opinion surveys and in somewhat more supportive positions taken in the last year or two by some opposition political parties in the Diet, the Japanese parliament. 8/

A further constraint on Japan's military budget has been Japan's anticipation of the anxiety and opposition in other Asian nations in response to a "major" build-up in Japan's military capability. This situation, however, has changed significantly in the case of the PRC, which, after the 1972 Peking-U.S. summit, dropped its opposition to an increase in Japan's military effort and to the continuation of the U.S.-Japanese Mutual Defense Treaty. 9/

7/ Ibid., pp. 1, 3, 5, 23, 25-26, 37-38, 49-54.

8/ Defense of Japan, Japanese Defense White Paper, 1976 (hereafter referred to as JDWP), pp. 23, 36, 44, 52, and 57; and discussions with Japanese and U.S. Embassy personnel in Tokyo, November 1976.

9/ Greene, op. cit., p. 9; JDWP, pp. 9, 32-33; New York Times, February 28, 1972, p. 14.

Japan's Defense Budget

The Mutual Defense Treaty has enabled Japan to concentrate on economic growth, and since 1965 Japan has devoted only 1 percent (0.0089 in 1976) of its GNP to its self-defense forces. The record since 1955 has been as follows: 10/

	<u>1955</u>	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1976</u>
Percent of Japan's GNP devoted to defense	1.78	1.23	1.07	0.79	0.84	0.9

The cabinet of the Government of Japan has recently reaffirmed that 1 percent will remain the ceiling for the time being. 11/ Of course, with the third largest GNP in the world, a considerable expenditure is nevertheless involved, \$4.484 billion in fiscal year 1975. Japan's military budget in that year placed it 10th in the world, slightly above Italy and Israel, but not quite 5 percent of the U.S. effort and lowest in share of defense in national government spending (6.2 percent) of 30 "leading" nations in defense spending. 12/

The "Outline of the National Defense Program," issued by the Japanese Government on October 29, 1976, as a guideline for fiscal year 1977 (beginning April 1, 1977) stressed the premise that the international situation surrounding Japan "will not change radically." Instead of any further quantitative growth in force levels, the emphasis would be on "qualitative" improvements and a "balanced" force including logistics support and an ability to repel "small-scale" aggression "in principle" without U.S. assistance. 13/ By developing only a one-year projection after fiscal year 1976, the Japanese Government was changing from its previous policy of having successive five-year "build-up"

10/ JDWP, p. 158.

11/ Far Eastern Economic Review, November 19, 1976, p. 15.

12/ JDWP, p. 160.

13/ Prime Minister Fukuda, responses on ABC News' "Issues and Answers," March 25, 1977.

plans announced. Fiscal year 1976 will be the end of the fourth such plan. The new approach can be regarded as more open-ended, broad, and abstract, allowing more flexibility rather than being tied to a five-year plan that may prove inadequate or develop shortfalls.

It is uncertain whether restraining defense spending has been beneficial to Japan's economic growth. ^{14/} However, U.S. presence in East Asia has made substantial Japanese economic investment and involvement in the region less a matter of anxiety and opposition.

If the general purpose forces in East Asia and the Western Pacific can be said to make indirectly quite a significant contribution to Japan's security, then the DoD estimate that in fiscal year 1976 \$5 billion of the DoD general purpose forces budget was for WESTPAC (Western Pacific) would mean the U.S. budget costs indirectly related to Japanese (and U.S.) security interests -- such as the Seventh Fleet's deployments related to the sea lanes from the Persian Gulf to Japan -- were about equal to the direct expenditures of Japan itself in that year.

The Japanese Government has officially acknowledged the issue of the "free ride" on the United States in defense. In recent years, the U.S. Government has urged Japan to do more, particularly in antisubmarine warfare and in air defense (including airborne early warning). ^{15/} Because of rising manpower costs and general inflation, however, major shortfalls occurred

^{14/} Hugh Patrick and Henry Rosovsky, "Japan's Economic Performance: An Overview," Asia's New Giant (Brookings, 1976), p. 45. (Estimates that if Japan had spent 6-7 percent of GNP on defense, "it would have reduced the growth rate by at most only two percentage points, even assuming no beneficial spillover effects of defense expenditures.")

^{15/} JDWP, p. 36; Secretary Schlesinger in August 1975 (news briefing in Tokyo on 29th), while recognizing the constraints on Japan's efforts, stated that "Japan has been too much a passive partner," and emphasized the need for better discussion of combined U.S. and Japanese capabilities to protect sea lines of communication to Japan. [Emphasis added.] See also News Conference, same day, Imperial Hotel, Tokyo.

in the 1972-1976 Japanese defense procurement plan, particularly in the planned increase of naval force levels. 16/ The procurement goals for the Air Defense Force, which were more fully attained, represented generally qualitative replacement of older aircraft rather than an increased force level, as was the case with naval forces.

Within the not quite 1 percent of GNP that Japan devotes to defense expenditures, Japan has chosen an allocation that has made some programs much more expensive than they need be, leaving even less funds available for competing defense needs. 17/ Such substantial additional costs have resulted from licensing coproduction in Japan of such weapons as the F-4 instead of purchasing them directly from the United States.

Japan understandably has not wanted to neglect its own industrial base, particularly during the recent recession. If Japan should choose the F-15 as successor to the F-104J, then the unit cost has been estimated to be 40-50 percent higher by licensed coproduction in Japan instead of direct import. In the case of the P-3 as a successor to the P-2J, the unit cost through licensed coproduction could be 60-80 percent higher than purchasing directly from the United States. If Japan decided to develop and produce independently an alternative for the P-3, such a "PXL" might have a unit cost 200-300 percent greater than the P-3. 18/

The issue of burden sharing is likely to remain, and will perhaps become an even more contentious, high visibility issue in Japanese-U.S. relations. However, without a greater sense of threat, which is generally lacking in Japanese public opinion, the Japanese Government may remain reluctant to exceed or even equal 1 percent of GNP for defense spending. The anticipated reduction in the future rate of Japan's economic growth will perhaps reinforce this established reluctance. In a way, the U.S. specific policy of urging the Japanese to do more is frustrated by the general success of the United States' own

16/ JDWP, pp. 91-93, 133-134, 148-149.

17/ The same point, of course, could be made about the United States and other nations, such as some NATO allies.

18/ Source: OSD/ISA and Defense Security Assistance Agency.

policies of providing deterrence of a major attack on Japan and of improved relations with both the Soviet Union and the People's Republic of China. Both policies have perhaps reinforced the general lack of concern with an external threat in Japan.

U.S. Bases in Japan

Japan has made military bases available for U.S. forces at a cost of about \$400 million per year in payments to affected communities for leasing of land, etc. These bases are important for maintaining a U.S. military presence in the region and assisting in the defense of Japan and South Korea. In the main islands of Japan, there are several major U.S. installations that include logistics support supply depots, airfields, and a large-capacity naval base and shipyard facility at Yokosuka. Nearly 75 percent of the total land area used by U.S. forces in Japan is in Okinawa, particularly training and maneuver areas for the U.S. Marine Corps. 19/

There have been substantial reduction and consolidation of U.S. bases in Japan, particularly in the densely populated Kanto plain area around Tokyo. The Japanese Government is estimated to be paying over \$700 million to construct new facilities, such as living quarters, on the remaining bases. There is no longer pressure from the Government of Japan itself, as opposed to some local sentiment, for further reduction in U.S. bases in Japan. 20/

Even though there has been a substantial reduction of U.S. military personnel in Japan in recent years, at the remaining bases there are still instances of substantial overcrowding and substandard base living facilities, such as at Iwakuni, Japan, where some U.S. Marines are living in "temporary" quarters built in the early 1950s. The operations and maintenance costs for U.S. forces in Japan have risen sharply. A major element of these costs is for Japanese employees at U.S. bases. Although the number of Japanese employees has dropped substantially (from 34,200 in fiscal year 1973 to 22,700 in fiscal year 1976), the dollar costs to the United States have significantly

19/ JDWP, pp. 62-63, 139.

20/ Discussions with U.S. Embassy personnel, November 1976.

risen (nearly 70 percent increase in manyear costs from fiscal year 1973 to fiscal year 1975). 21/ Some Japanese sharing of these labor costs in the "O&M" budget for U.S. bases in Japan would obviously be helpful.

Japan's Limited Self-Defense Capability

The very modest capability (240,000 military personnel) of Japan's Self-Defense Forces does not enable Japan in 1977 to defend itself against other than a small-scale conventional attack. In the assessment of the Japanese Government, U.S. forces are required to deal with more substantial threats. Some observers have described even munitions as an area requiring U.S. assistance. 22/

The Japanese Government has recently reaffirmed the key importance of the Mutual Security Treaty as a "pillar" of Japanese defense: 23/

Naturally, Japan cannot defend herself from large-scale aggression or a nuclear threat. Such defense would require American military cooperation, making the Security Treaty indispensable. American use of

21/ OSD/ISA.

22/ Greene, op. cit., pp. 58, 73, 88.

23/ JDWP, pp. vii, 50; see also pp. 3, 6, 33-34, 35, 40, 61. A more detailed Japanese reference to the U.S. "nuclear umbrella" for Japan deserves note: "Japan depends on the American nuclear deterrent to cope with nuclear threats to this nation. American government leaders have frequently promised protection for Japan from nuclear threats. Confidence in this deterrent is, however, primarily based on close Japanese-American relations, and on American recognition of Japan as an important partner. As long as Japan remains an especially important American ally, the United States may not overlook nuclear threats against this nation. Furthermore, protecting allies from nuclear threat is a natural position for the United States, considering American policy aimed at halting nuclear proliferation." [Emphasis added.]

military bases within Japan under this treaty is not only an obligation, but is integral to our national security.

PRINCIPAL JAPANESE CONCERNS: STABILITY IN KOREA AND THE SOVIET PACIFIC FLEET

Japan recognizes how distant regional conflicts, such as the October 1973 Middle East War and the oil embargo, can vitally affect Japan. The Government of Japan, however, naturally focuses on Northeast Asia as the area most important to Japan's peace and security. In that regional context, the Japanese have stressed the potential for instability and conflict on the Korean peninsula and the quality and demonstrated presence of the Soviet Pacific Fleet. 24/

Stability on the Korean Peninsula

The Japanese Government recently assessed the situation on the peninsula and its significance to Japan: 25/

The Korean peninsula continues to be divided, with mutual distrust between the North and South deeply rooted. Dialogue between them has been stalled, and both are actively deploying major forces. These factors make the peninsula one of the world's most militarily-strained locations. Judging from the

24/ JDWP, p. 2, 11, 13, 26-30, 50. Major qualitative improvements in some U.S. force components -- such as laser-guided munitions and ASW subsystems -- were not noted as much as quantitative reductions and did not receive adequate consideration in the 1976 Japanese Defense White Paper.

25/ Ibid., p. 12; similar statements were made more recently by senior Japanese officials. See address by Fumihiko Togo, Ambassador of Japan, to Japan-American Society, Minneapolis, Minnesota (November 9, 1976), stating "The United States presence in South Korea is the safeguard against the disruption of this precarious equilibrium on the Peninsula." [Emphasis added.] See Prime Minister Fukuda responses on ABC News' "Issues and Answers," March 25, 1977.

current world situation, American pledge to defend the Republic of Korea, U.S. military deployment and other factors, it might safely be said that there are few signs of any large-scale military engagement in Korea at present. Korean peace is a prerequisite for the peace and security of all East Asian nations, including Japan. It cannot be denied that the security of the Korean peninsula is, to a large degree, supported by the area's military balance, including the presence of U.S. forces in the ROK.

Considering the overall military potential of North Korea and the ROK, and taking the 42,000 U.S. troops present in the ROK into consideration, military power on the Korean peninsula is seen as roughly in balance. [Emphasis added.]

The military balance and role of U.S. forces on the Korean peninsula is examined further in Chapter VI of this paper. At this point, it is important to consider the impact of such a renewed Korean conflict on the relationship between the United States and Japan.

The direction and degree of reaction in Japan to a renewed Korean conflict would depend very much on how the conflict originated and on the related actions of the United States. 26/ If there were clear direct aggression from the North, then Japanese political support for South Korea and for U.S. efforts and use of the U.S. logistical support bases in Japan would probably be forthcoming. But if the outbreak of the conflict were regarded in Japan as ambiguous in origin, or apparently a result of actions by South Korea, then if the U.S. interpretation differed, the issue of support could become quite divisive, not only internally in Japan but also in relations with the United States.

26/ Senate Foreign Relations Committee, International Security Assistance (March 1976), pp. 91-93; Nathan White, "Japan's Security Interests in Korea," Asian Survey (April 1976), pp. 299-318.

The Soviet Pacific Fleet

The Japanese Self-Defense Agency has expressed particular concern with the growth in size and quality of the Soviet Pacific Fleet, especially the "about 40" nuclear-powered submarines. They have also pointedly noted the scale of occasional Soviet fleet exercises in "out of area" locations, such as the Philippine Sea, south of Japan, that include "mock convoy attacks." 27/

As a consequence of Japanese awareness of their overwhelming dependence on ship-borne imports and their special sensitivity to the Soviet Pacific Fleet's capabilities, Japanese sensitivity to a reduction in the U.S. naval force presence may be greater than sensitivity to reductions elsewhere in the U.S. forward-deployed forces. 28/

The presence of the Soviet fleet in the Pacific is examined further in the next chapter.

27/ JDWP, pp. 7, 16-17.

28/ Greene, op. cit., pp. 7, 58, 62-63; interviews in Japan, November 1976.

CHAPTER V. REGIONAL THREATS AND PRINCIPAL CONTINGENCIES

In contrast to rationales for forces related to NATO, recent Administrations have not presented a detailed rationale that attempts to derive much of U.S. deployment in East Asia and the Western Pacific from analysis of threats and contingencies in that area. Particularly after the collapse of U.S.-supported forces in Vietnam, the principal contingency of concern has been a North Korean attack upon South Korea. In terms of a threat from a major power to U.S. and allied interests and forces in the Western Pacific, the naval component of Soviet forces in the Far East has received the most attention in Defense Department presentations and in Japanese Government commentary. The formidable Soviet ground and air force elements in the Far East are regarded as principally directed at the People's Republic of China (PRC).

At first glance, the United States appears to have forces in East Asia and the Pacific considerably in excess of the needs generated either by the Korean contingency, assuming no Soviet or PRC combat involvement, or by the relatively small portion (30 percent) of the Soviet Navy represented by its Pacific fleet. The rationale for the significantly reduced, but still substantial, U.S. forces deployed in East Asia and the Pacific is avowedly political. Our presence there is said to support important U.S. interests related primarily to Japan. These include a secure Japan that relies with confidence on the U.S. commitment to Japan's defense and that does not feel compelled to accommodate with the Soviet Union, to reorient its foreign policy away from the United States, or to rearm in a major way.

Although the regional threats in East Asia and the Pacific do not seem to determine much of the U.S. force structure in the region, they are not irrelevant. The first part of this chapter reviews these regional threats. The second part of the chapter examines the principal contingencies in the region and some of their suggested implications for force structure.

REGIONAL THREATS

Soviet Union

Soviet military forces pose the threat of paramount interest for U.S. military force planning for Asia and the Pacific. However, the threat posed by Soviet ground forces deployed along the Sino-Soviet border seems principally aimed at the People's Republic of China (PRC) not Japan or South Korea.

In 1968-1969, the Soviets began a build-up of their ground forces in the area of their border with the People's Republic of China. By 1977, about 40 divisions, nearly 25 percent of the Soviet ground forces, were on the Sino-Soviet border, compared to perhaps 15 divisions in 1965. Over 900 tactical aircraft, 25 percent of Soviet tactical aircraft assigned to frontal aviation units, are deployed in this border region. This build-up did not reduce the forces deployed in Central Europe. They, in fact, also grew somewhat in both quantity and quality during this period. 1/

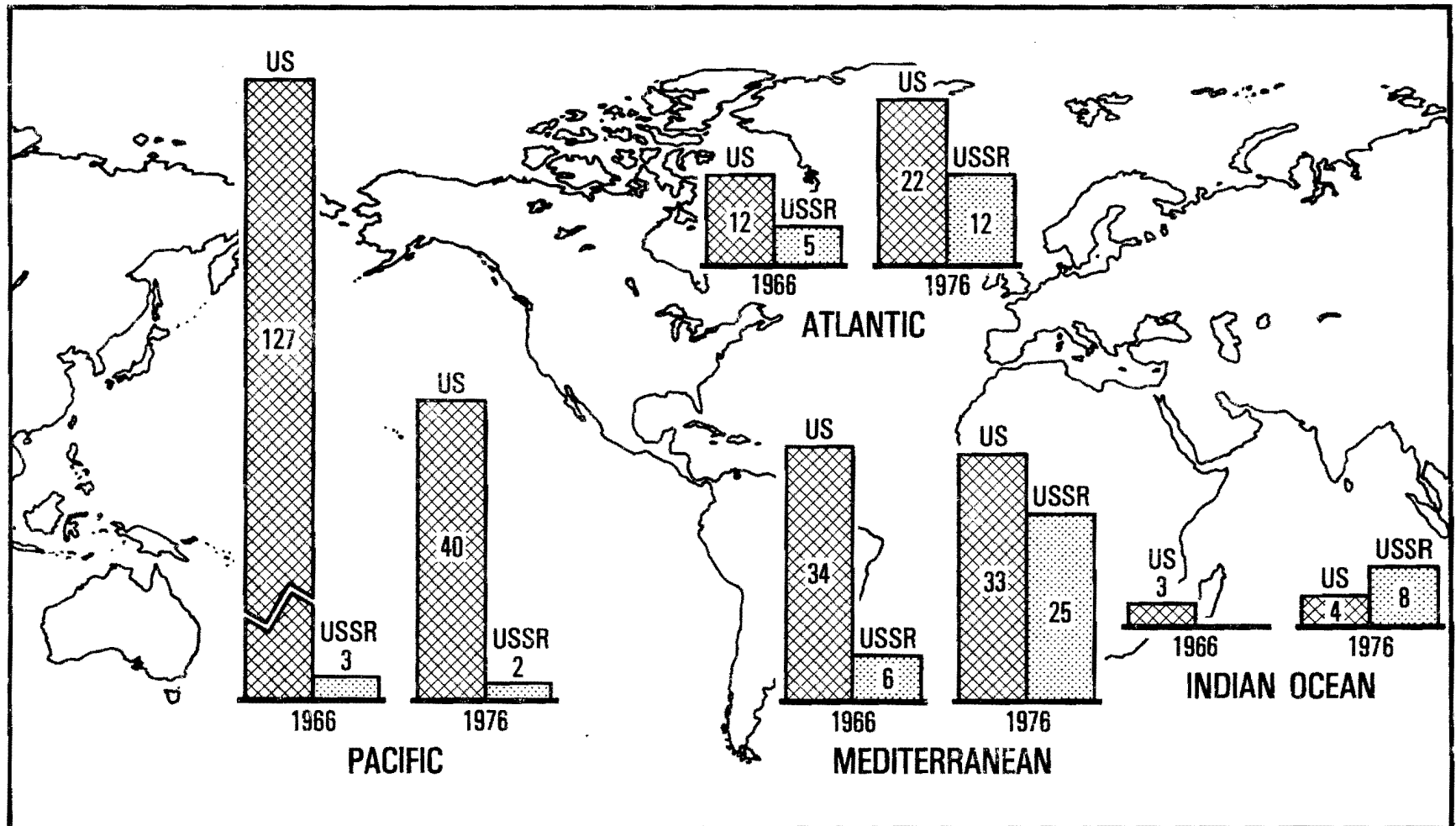
The Soviet Navy deployed in the Pacific and Indian Oceans has been a matter of greater direct concern to the United States and Japan than the Soviet ground forces in Asia. However, the growth of the Soviet Pacific Fleet has been gradual. It now contains roughly 30 percent of the Soviet Navy. 2/ The Soviet Pacific Fleet (excluding ballistic missile submarines) is much less active than other Soviet fleets or the U.S. Pacific Fleet.

As Figure 2 shows, the Soviet fleet in the Pacific has shown a far lower rate of combatant deployment than the U.S. Pacific Fleet. There has been no recent dramatic build-up or change in activity level or deployment pattern. Nevertheless, concern has been expressed, in Japan in particular, over the growing quality and scale of occasional exercises of the Soviet

1/ Japanese Defense White Paper (JDWP), pp. 13, 16; Rumsfeld, FY 1977, p. 123; FY 1978, p. 87; Schlesinger, FY 1976, p. III-4.

2/ See Appendix for force level and composition of the Pacific Fleet of the Soviet Navy.

Figure 2. US/USSR Naval Combatant Deployments ^{a/}
(Average Calendar Years 1966 and 1976)



^{a/} Includes aircraft carriers, general purpose submarines, major surface combatants, minor surface combatants, amphibious ships, and mine warfare ships.

SOURCE: Adapted from Department of Defense, Office of the Secretary, January 14, 1977.

Pacific Fleet outside of its home waters, such as in the Philippine Sea.

Although qualitative improvements have been introduced in recent years, the Soviet Pacific Fleet typically receives new classes of vessels after the other fleets. Further qualitative improvements can be expected, such as the BACKFIRE bomber assigned to naval aviation. The BACKFIRE bomber, armed with air-to-surface antiship missiles, could be a significant, extended-range airborne threat to the U.S. aircraft carriers even in areas south of Hawaii.

There are significant limitations that constrain the potential sustained operation of the Soviet fleet in the Pacific and the Indian Oceans. Vladivostok, located on the Sea of Japan, is the principal naval port for the Soviet Pacific Fleet. The Sea of Japan would probably not be a feasible operating area for the naval forces of either side during a major war, because of the Soviet tactical air and submarine forces on the one hand and U.S. tactical air forces on the other. The exits from the Sea of Japan are vulnerable choke points for passage of Soviet vessels in a crisis or wartime situation. It should be noted that nearly all merchant shipping to Japan is to ports on the eastern Pacific coast of Japan, not on the Sea of Japan.

Some of the Soviet Pacific Fleet, particularly some submarines, operate out of Petropavlovsk, which, being directly on the Pacific, does not have Vladivostok's disadvantages of choke point exits and entrances. However, Petropavlovsk is on the remote and isolated Kamchatka peninsula off Siberia, and is thus significantly handicapped in terms of logistical support.

Nonetheless, the Soviet Pacific Fleet's ability to interdict shipping, particularly that of oil, by using submarines and tactical aviation, is a matter of serious concern in Japan. In the Indian Ocean, the present ability of the Soviet Union to sustain interdiction of oil shipping from the Persian Gulf is quite limited because of the great distances from Soviet logistical support. Soviet force elements normally deployed in the Indian Ocean during peacetime are not ideal for interdicting shipping. With greater utilization and further development of support basing, for instance on the east coast of Africa, Soviet sustaining capability would be improved. But, the basic weakness and vulnerability of the Soviet Navy in sustaining underway force deployments, particularly where it lacks

sustained air cover from land based aircraft, would remain. The Secretary of Defense's posture statements in recent years have especially noted these shortcomings. 3/

People's Republic of China (PRC)

The People's Republic of China possesses a significant military capability. This capability is technologically much inferior to that of the Soviet Union; moreover it is directed in large part toward the Soviets.

In the case of ground forces, the People's Republic of China reportedly has an army of about 3.5 million organized into about 210 divisions, about 90 of which are in regions bordering the Soviet Union. To counter the Soviets, the People's Republic of China has increased deployment in North China and carried on massive civil defense efforts.

The PRC Navy has been judged "not able to oppose the United States or the USSR in open-ocean conflict for the foreseeable future." 4/

In recent years, the United States has taken explicit account of the severe split in USSR-PRC relations. Particularly since the U.S.-PRC move toward normalization of relations or rapprochement in 1971, the United States has downgraded the PRC threat to U.S. interests and allies in Asia in presentation of the rationale for U.S. forces in Asia. Indeed, it has even been suggested that the People's Republic of China wanted a U.S. presence in Asia to counterbalance the Soviet Union. The People's Republic of China has been explicit about supporting NATO as a useful counterweight to the Soviet Union.

The likelihood of the People's Republic of China bringing military pressure to bear against Taiwan has been greatly

3/ Rumsfeld, FY 1977, p. 129.

4/ Schlesinger, FY 1976, p. III-4; Rumsfeld FY 1977, p. 129. The estimates of PRC military personnel levels appear to be of low confidence; House Armed Services Committee, Hearings on Military Posture, Fiscal Year 1977, Part 3, p. 759.

discounted in recent years, in light of improved PRC-U.S. relations and PRC preoccupation with the Soviet Union. 5/

Vietnam

Since the fall of South Vietnam in 1975, Vietnamese effort has been concentrated on national consolidation and economic reconstruction. However, there is no indication that their combat forces have been demobilized. This is cause for some concern elsewhere in Southeast Asia. Laos remains heavily under Hanoi's influence. There is concern in Thailand over Vietnamese-supported insurgency; but elsewhere in Southeast Asia the threat is not seen to be immediate.

North Korea

North Korea is discussed in detail in Chapter VI, which focuses on the military balance on the Korean peninsula and the role of U.S. forces in South Korea.

Territorial Conflicts

In recent years, increased interest in the oil and mineral resources of the ocean bed has led to instances of jurisdictional conflict over islands and the continental shelf in areas such as the South and East China Sea. Overlapping claims of Vietnam and the People's Republic of China and of the Philippines and Indonesia, for example, have arisen. However, disputes and even clashes over these issues seem unlikely to be of much, if any, direct concern to the United States, other than for their potential interference with freedom of navigation through some zones.

5/ Schlesinger interview, U.S. News & World Report (October 18, 1976), p. 42; House Armed Services Committee, FY 1977, op. cit., pp. 758-759.

PRINCIPAL CONTINGENCIES CONSIDERED IN EVALUATING U.S. FORCE
DEPLOYMENTS IN THE PACIFIC AND EAST ASIA

The contingencies that are currently most relevant to evaluating the need and purported rationale of U.S. general purpose forces deployed in the Pacific and relating to Asia include the following:

- o War in Korea only, with or without PRC and/or Soviet assistance in terms of logistics and/or combat forces.
- o "Brush fire" or "minor" contingency elsewhere in the Western Pacific/East Asia.
- o Worldwide conventional conflict with the Soviet Union ("two-front" war with the Soviet Union).
- o Soviet efforts to interdict sea lines of communication (SLOCs), especially of oil from the Persian Gulf to Japan.

In terms of policy and planning guidance relating to these contingencies, U.S. naval and air power is expected to be the principal U.S. contribution to its allies, who would have to provide nearly all the ground forces to respond to direct aggression against them.

War in Korea

In the case of a North Korean attack on South Korea without combat support from either the Soviet Union or the People's Republic of China, the U.S. assessment has been that the U.S. contribution should be primarily in tactical air support and logistical support, along with some air defense and intelligence, command/control, and communications. 6/

If North Korea did receive combat assistance from the Soviet Union or the People's Republic of China, the need for U.S. support would increase considerably; but this is a contingency

6/ See, for example, testimony of Secretary of Defense Schlesinger, House Armed Services Committee Hearings, Part I, 93rd Congress, 2nd Session, p. 51.

thought to be so unlikely as not to be a major consideration in sizing U.S. general purpose forces deployed in East Asia.

There may be "little warning" of a North Korean attack. 7/ Thus forces in place, or quite rapidly deployable, could be critical, given the nearness (30 miles) of Seoul to the demilitarized zone (DMZ). A major thrust against Seoul with hope of fait accompli seizure might be a major objective of North Korea. Recently, some emphasis has been reportedly placed by the United States on assuming and planning for a short, intense conflict. 8/

U.S. Tactical Air Assets for Possible Use in Korea

The present imbalance in combat aircraft favoring North over South Korea is approximately as follows:

	<u>North Korea</u>	<u>South Korea</u>
Total	600 Combat Aircraft	204 Combat Aircraft
Relatively modern	150 MIG-21	72 F-4D/E
jet aircraft	50 MIG-19	70 F-5A/E
	<u>200</u>	<u>142</u>

The U.S. Air Force has two squadrons, totaling about 60 tactical fighter aircraft, presently deployed in South Korea.

The United States has deployed elsewhere in East Asia and in the Western Pacific the following tactical air units that could be rapidly deployed to South Korea:

7/ House Committee on Armed Services, Hearings on Military Posture, FY 1977 (Part 3), p. 765; ". . . at most 12-18 hours' warning," p. 781.

8/ "U.S. General Envisions 'A Short Violent War' if Korean Reds Attack," Wall Street Journal, January 13, 1976, p. 1; ". . . much greater emphasis on firepower early in the war, to blunt what is presumed to be a surprise attack coming down from the North," Secretary Schlesinger, Press Conference, September 1, 1975. "The Hollingsworth Line," Far Eastern Economic Review, February 27, 1976, pp. 26-29.

Fighter Attack Aircraft

2 (USAF) Squadrons of F-4s in the Philippines	48
4 (USAF) Squadrons of F-4s in Okinawa, Japan	96
Two-thirds (USMC) Air Wing in Japan	<u>58</u>
	202

This forward-deployed tactical air capability appears adequate to counterbalance the North Koreans, even without including about four squadrons of tactical fighter aircraft associated with the two U.S. carriers forward deployed in the Western Pacific or without taking account of superior U.S. technology. This suggests that the carriers may not be required in a Korean conflict unless land bases in South Korea become saturated, or are overrun, or if land-based tactical air units were unavailable for other reasons.

In the context of East Asia and the Pacific, the Korean contingency just discussed is considered to be the most likely "half" war scenario related to force sizing.

"Brush Fire" or "Minor" Contingency

The two-thirds of a Marine division stationed in Okinawa are the U.S. ground forces most likely to be involved in a contingency or "brush fire" in East Asia and the Western Pacific, outside of Korea.

Such a contingency is, by nature, hard to anticipate with any realistic detail. Recent examples cited as demonstrating the need for the Marine Corps' presence in Okinawa and forward-deployed continuously afloat presence in the Western Pacific are the recapturing of the Mayaguez and its crew and the evacuations of Americans from Saigon and the capital of Laos. These examples would be more persuasive if they were not also seen as situations stemming from a war's termination and immediate aftermath, rather than as independent incidents.

Contingencies can be envisioned where the environment surrounding the evacuation or extrication process would be hostile, preclude safe commercial evacuation, and require airlifting

Marine or other elements briefly into a country to suppress hostile fire jeopardizing evacuation, or to rescue U.S. personnel from being trapped in civil strife. However, circumstances that would require a force of Marines as large (21,000) as that stationed on Okinawa are very hard even to hypothesize.

In the Mayaguez incident in May 1975, the Marine Corps force elements actually employed were portions of a company-size assault team (of somewhat more than 120 men) to recapture the ship and two companies of a battalion landing team (BLT) to land on the nearby Cambodian island. Those force elements were airlifted by the U.S. Air Force in C-141s from Okinawa and the Philippines to Thailand. From there they were flown to the area of the Mayaguez by helicopters. 9/

The contingencies suggested as examples of the utility of forward-deployed Marines in the Western Pacific seem to call for forces considerably smaller than those actually deployed. A smaller force, remaining in a less-crowded Okinawa, could be highly ready. Marine forces are not needed on Okinawa to support afloat units (one or two battalion landing teams) forward deployed in the Western Pacific, since the ships could be rotated from the U.S. west coast or Hawaii with Marine personnel rotated by airlift.

Worldwide Conflict with the Soviet Union

A worldwide conventional conflict with the Soviet Union could begin simultaneously in both the NATO/Atlantic and Pacific theaters. However, if conflict began in one theater first, it is more likely that it would start with a Soviet/Warsaw Pact attack in Central Europe, because of the Soviet's strong interest in not giving dramatic strategic warning to NATO by first attacking U.S. and allied forces in the Pacific and Indian Ocean area; because of the economic value of Western Europe as a greater strategic "prize"; and because of the formidable Soviet forces

9/ Captain Walter J. Wood and Major J. B. Hendricks, "'Mayday' for the Mayaguez," U.S. Naval Institute Proceedings (November 1976), pp. 100-108. The size of the Marine Corps elements actually used was constrained by the number of appropriate Air Force CH-53 helicopters available in Thailand at the time.

deployed in the heart of Europe, which face minimum land or water barriers to substantial advance.

Assuming that a NATO/Warsaw Pact conventional war were under way in Europe, either the Soviet Union or the United States might be motivated to spread conventional conflict to the Pacific area to "tie down" the other's forces deployed in the Far East to prevent their transfer to the European theater. In the case of the Soviet Union, nearly 25 percent of its divisions and tactical frontal aviation are in Soviet Asia. These Soviet forces have been assessed by the U.S. Department of Defense to exceed requirements for defense against a Chinese attack. 10/ However, very conservative Soviet planning assumptions and consideration of a limited offensive against the People's Republic of China may be the basis for the apparent surplus capability.

During a war in Central Europe, Soviet concern with a hostile and alarmed PRC, perhaps redeploying and enhancing readiness of some of its forces, would in itself tie down a substantial proportion of Soviet forces, particularly ground forces and perhaps tactical air assets. 11/ Thus Soviet concern with the People's Republic of China could reduce the burden on the United States and its allies in deploying forces in the Pacific to tie down Soviet forces there.

In addition to concern with the People's Republic of China, the Soviets might have other reasons for hesitating to initiate a second front in the Far East. The Soviet logistic support line across Eastern Russia is vulnerable and not now significantly redundant. The Soviets would face considerable constraints imposed by the disadvantages of the Sea of Japan and the Kamchatka Peninsula in prosecuting naval warfare in the Pacific.

The Soviets might not even have to "fire a shot" in the Pacific to bring effective pressure upon U.S. forces to remain there. The United States would be concerned that a substantial

10/ Schlesinger, FY 1976, p. III-4.

11/ Given the already quite substantial (over 80) divisions the Soviets could bring to bear in Central Europe, it may be that they would see no requirement to move forces from the Far East/Sino-Soviet border in any event, even if free of concern about China.

drawdown to support a NATO effort could tempt North Korea to attack even without Soviet encouragement. Such a drawdown could cause grave anxiety among U.S. allies in East Asia and the Pacific, impelling these allies to accommodate the Soviet Union or even to declare neutrality.

It may be that U.S. force levels and deployment in the Pacific should not be considerably higher in peacetime than the United States would expect them to remain if a NATO/Warsaw Pact conflict broke out. The psychological impact upon Asian allies of a peacetime drawdown in U.S. forces deployed there might be considerably less severe than a similar scale drawdown during war in the Atlantic/NATO area. For example, given Japan's special concern as an island nation with the state of the naval balance, a reduction and transfer of two carriers to the Atlantic during peacetime, after consultation, might well be less traumatic than a similar reduction in a wartime context.

Soviet Threat to Sea Lines of Communication to Japan

A contingency of major concern to the Japanese in recent years, particularly after the 1973 oil embargo, is the threat or act by the Soviets to interdict shipping, particularly of oil from the Persian Gulf, through the Indian Ocean to Japan. Although such a threat seems remote, in Japan it is regarded as more likely than direct aggression. Nevertheless, this contingency seems notably unlikely, other than in the context of conventional war in the Pacific after a war in the NATO area has begun. In such a case, only if the war in Europe went on at some length would Soviet interference with Japanese seaborne commerce seriously threaten the Japanese economy. U.S. and NATO planning discounts the probability of such a lengthy war in Europe, but it may be worth considering the effects such a war could have.

In a worldwide conventional war, the desire to deny the United States the use of bases in Japan might motivate a Soviet threat of SLOC interdiction toward Japan. Japan's ability to resist such Soviet "salami" tactics could be substantially strengthened by economic actions to reduce the level of imports required to sustain domestic consumption. For example, by having a stockpile of at least 70 days (peacetime consumption) of petroleum, Japan can reduce daily arriving ship requirements

by perhaps as much as 80 percent for 5-to-6 months. 12/ Such economic insulation measures, plus mining of the exits of the Sea of Japan through which some Soviet submarines must pass to reload munitions and cruise missiles, thereby inflicting serious attrition on Soviet submarines and reducing shipping losses, could greatly reduce sea lane defense requirements facing U.S. and Japanese naval forces.

Role of Aircraft Carriers in Protection of Sea Lines of Communication in the Pacific

The sea lines of communication (SLOCs) from southern California to Hawaii and the South or lower Middle Pacific probably are so far distant from Soviet homeland support bases that sustained air interdiction of shipping would be very difficult, if not impossible, for the Soviets to accomplish. Carrier task forces may well not be needed for protecting these SLOCs. As the SLOCs approach Japan northward from the Philippines, they come within range of more Soviet bombers carrying antiship missiles. Thus, it could be argued that carriers are needed in this region to provide air defense for convoys. However, carriers become more vulnerable as they approach the Soviet Union. Moreover, this portion of the route is also closer to friendly land bases so that shipping could be protected by land-based tactical air units, thus freeing the carriers for other missions.

In any event, it is the attack submarine component of the Soviet Navy's Pacific Fleet that is of principal concern to the Japanese because of the threat that those submarines pose to merchant vessels. For dealing purely with that Soviet submarine threat, perhaps the most valuable U.S. Navy assets are not carriers, but P-3 aircraft, U.S. attack submarines, and mines placed at choke exit and re-entry points. Some U.S. Navy capabilities, such as nuclear attack submarines (SSN-688), principally relevant to countering the threat of Soviet attack submarines, are scheduled to improve in the 1977-1980 period. 13/

12/ David M. Shilling, "A Reassessment of Japan's Naval Defense Needs," Asian Survey, March 1976, pp. 223-224.

13/ Rumsfeld FY 1977, pp. 172-174.

Role of Aircraft Carriers in Northeast Asia

A major rationale for U.S. aircraft carriers in the Western Pacific has been to provide tactical air support to U.S. and South Korean forces in response to a North Korean attack. However, U.S. ability to deploy quickly land-based tactical air units from the continental United States into South Korea was demonstrated in August 1976 in the case of an F-111 squadron deployed from Idaho. F-4 and other land-based U.S. tactical air assets in the Western Pacific, which have been augmented since late 1975 with redeployments from Thailand to the Philippines and Japan, could also be deployed rapidly to South Korea.

Given the increased ability in South Korea to support land-based air units, and the reluctance to "tether" a carrier to any particular contingency, it may be that one of the principal roles of U.S. carriers in the Northwest Pacific is to be able to pose a threat to the Soviet Pacific Fleet and some land-based targets in Far Eastern Russia. Soviet initial preoccupation with defending against U.S. carrier task forces may well divert some Soviet aviation assets from attacking commerce and interdicting U.S. and allied shipping.

Even if carriers were not used in a power projection mission against Soviet targets in the Far East, other U.S. weapons platforms could be employed. For example, attacks against Soviet fleet and other coastal targets could be performed by other land-based systems, such as B-52s and F-111s. Carriers would probably be very much at risk close to the Soviet Union in the Far East.

CHAPTER VI. THE KOREAN PENINSULA: THE MILITARY BALANCE AND
THE ROLE OF U.S. FORCES

The United States has had a major military presence and responsibility on the Korean peninsula since the end of World War II, particularly since June 1950 when President Truman decided to oppose the attack by North Korea by dispatching U.S. forces under United Nations' auspices and by providing military assistance to South Korea. That fundamental decision in mid-1950 was made in a context of broader concerns, beyond the immediate situation on the peninsula, with the effect of the aggression and U.S. response upon the behavior of the Soviet Union, the People's Republic of China, Western Europe, and others.

Today, the issue of appropriate level and role of U.S. forces in South Korea remains part of a wider context of concerns that relate to Japan as well as the Soviet Union and other nations in Asia. Secretary of Defense Brown recently referred to this historical and wider context: 1/

We retain a large stake in the security of South Korea as a result of our historic involvement, our long-standing political and commercial interests there, and the importance of peace on the peninsula to the security of Japan and the balance of power in East Asia.

This chapter discusses the political situation within and between North and South Korea, the military balance between North and South Korea, and the role of U.S. forces presently there. The chapter then addresses the recent decision to withdraw the remaining U.S. infantry division over a four- or five-year time period, the possible consequences of that withdrawal, and the difficult policy choices because of competing U.S. objectives in Northeast Asia.

1/ Secretary Brown's statement to National Press Club, May 25, 1977.

THE POLITICAL SITUATION WITHIN AND BETWEEN NORTH AND SOUTH KOREA

Both North and South Korea are heavily armed states with smoldering mutual hostility. In 1971-1973, there was intermittent dialogue between the two governments relating to reunification. This dialogue ended in deadlock and renewed tension. North Korea has undertaken a diplomatic campaign to discredit and isolate South Korea and bring about the removal of U.S. troops from the peninsula. 2/

North Korea is a monolithic, totalitarian political system in which "the citizen is permanently mobilized as part-soldier, part-civilian." 3/ It has been described as "the most xenophobic, extremist and militarist of all communist states." 4/ Although since at least the early 1970s, neither the People's Republic of China nor the Soviet Union has been thought likely to encourage North Korea to attack South Korea, thereby challenging the United States and alarming Japan, the Sino-Soviet conflict has provided North Korea with "more freedom to maneuver" and to "play off" Moscow and Peking, which both desire to avoid inducing North Korea to move closer to the other. 5/

In South Korea, in December 1971, an emergency was declared; and in October 1972, martial law was decreed, and the constitution replaced with a more authoritarian one. In 1974 and 1975, stringent emergency decrees were issued. As a result of these

2/ Statement of Assistant Secretary of State Habib, April 8, 1976, International Security Assistance, Hearings, Senate Committee on Foreign Relations, Subcommittee on Foreign Assistance (94:2), p. 101; statement by Assistant Secretary of State Hummel, House International Relations Committee, September 1, 1976.

3/ Robert A. Scalapino and Chong-Sik Lee, Communism in Korea (Part II), p. 1302; see also pp. 1301-1312, ". . . one of the most extensive and oppressive systems of coercion," p. 1303.

4/ William E. Griffith, Peking, Moscow, and Beyond (Georgetown, 1973), p. 52-55.

5/ Donald S. Zagoria and Young Kun Kin, "North Korea and the Major Powers," in The Two Koreas in East Asian Affairs, (New York University Press), pp. 48-49.

developments, dissent has been suppressed. Opposition parties, although still legal, have been stifled and some of their leaders imprisoned. 6/

Some anticipate that the political situation in South Korea will deteriorate in terms of legitimacy and political cohesion and that, over the longer term, disaffection with the government will make the South what previously it had not been: a vulnerable target for subversion by the North. 7/

Congressional concern with and opposition to repressive trends in South Korea has been reflected in legislative provisions and strongly expressed, for example, in a letter to President Ford in April 1976 expressing concern with "continuing suppression of Koreans who urge progress toward restoration of democracy in their country." 8/

THE MILITARY BALANCE BETWEEN NORTH AND SOUTH KOREA

Lack of public information on North and South Korean military forces has handicapped public appraisal and discussion. The numbers relating to North Korea are usually outdated, and some are not of high confidence in any event. However, in gross measures, the military balance between North and South Korea in 1976 seemed to be as follows: 9/

6/ William J. Barnds, "The United States and the Korean Peninsula" in The Two Koreas in East Asian Affairs (New York University Press, 1976) edited by William J. Barnds, pp. 172-77, 188-98; "Korea North, Korea South," Newsweek (June 30, 1975), pp. 32-33, New York Times, May 3, 1977, p. 6.

7/ Edwin O. Reischauer, "The Korean Connection," New York Times Magazine (September 22, 1974), pp. 15, 60, 63-64, 68-69; see also Crosby S. Noyes, "War Threat Undermines South Korea," Washington Evening Star, June 1, 1975, p. E-3.

8/ International Security Assistance, Hearings, Senate Committee on Foreign Relations, Subcommittee on Foreign Assistance (94:2), pp. 82-123 (hereafter identified as SFRC FY 1977).

9/ Military Balance, 1976-1977, pp. 57, 79; International Institute of Strategic Studies; 1972-1973, p. 50; Military Balance, 1975-1976, p. 56; 1974-1975; pp. 56-57; Rumsfeld, FY 1977, p. 22.

	<u>North Korea</u>	<u>South Korea</u>
Population Base	16,280,000	34,610,000
<u>1976 Force Levels</u>		
Total Armed Forces	495,000	595,000
Army	430,000	520,000
Air Force	45,000	30,000
Navy	20,000	25,000
Marines		20,000
<u>Combat Aircraft</u>		
Total Aircraft	600	204 <u>a/</u>
Forward Ground		
Attack Fighters	30 (SU-7)	
Light Bombers	70 (IL-28)	
Advanced Design	150 (MIG-21)	72 (F-4 D/E)
Fighters	50 (MIG-19)	70 (F-5 A/E)
Other Fighters	300 (MIG-15/17)	50 (F-86)
<u>Naval Vessels</u>		
Submarines	8	0
Destroyers	0	7
Destroyer Escorts	0	9
Guided Missile-Armed		
Patrol Boats	18	0
<u>Economic Base and</u> <u>Defense Budget</u>		
GNP	\$3.5 B (1972)	\$18.4 B (1975)
Estimated Defense	N/A (1976)	1.5 (1976)
Expenditures	.878 (1975)	.719 (1975)
	.770 (1974)	.558 (1974)
	.443 (1972)	
Portion of GNP Devoted		
to Defense	12.7% (1972)	5.1% (1975)

a/ Components below do not account for full total because some reconnaissance aircraft are not enumerated here.

North Korea has been assessed as "probably the most heavily militarized state in the world" and estimated to be "in a position to launch a major surprise attack" "with little or no warning" (perhaps "at most 12-18 hours"). Its armed forces have "undergone a fairly extensive modernization in the last five years." Its military industrial base and self-sufficiency have grown, making it significantly more independent of PRC or Soviet assistance for producing items such as armored personnel carriers, tanks, and even submarines. Although its logistic stockpiles have grown, for "sustained combat," it would be very heavily dependent upon the People's Republic of China and the Soviets. North Korea has about twice as many tanks as South Korea and a "sizeable advantage" in self-propelled artillery pieces. However, South Korea has been acquiring TOW antitank missiles to offset the North's advantage in tanks. During 1976, North Korea retained a substantial numerical advantage in combat aircraft, but over 50 percent of its inventory is notably older aircraft. In more modern aircraft, the North Korean advantage is "relatively small," and with new jet fighter F-4s and F-5s entering the South Korean force, the trend "is favorable" to the South. 10/

South Korea's advantages include an overall advantage in manpower (particularly important in a prolonged war); some good

10/ SFRC FY 1977, pp. 104, 120; House Armed Services Committee, Hearings on Military Posture, FY 1977 (hereafter identified as HASC FY 1977), pp. 765, 781, 793-94, 807; Japanese Defense White Paper, 1976, p. 27; Far Eastern Economic Review (May 7, 1976), p. 28; Congressional Record (October 1, 1976), pp. S18057-61.

defense terrain and fortified positions; and, relatively recent combat experience of ground force personnel sent to Vietnam. 11/ Although South Korea's defense industry is much less well developed than North Korea's, the overall economic base of South Korea is much stronger than that of North Korea, which has had a shortage of foreign exchange and has defaulted on some foreign loans, particularly to Japan. Based upon the present economic situation and demonstrated high real annual GNP growth rates (e.g., 10 percent during 1963-1974, and 15 percent in 1976) time seems clearly on the side of South Korea, although as a heavily export-oriented economy it has some vulnerability. 12/

A major strategic disadvantage of South Korea is the closeness (only 30 miles) of its economic center and political capital, Seoul -- with over six million people -- to the demilitarized zone (DMZ). In contrast, North Korea's capital of Pyongyang is about 100 miles north of the DMZ. Seoul is "well within the range" of North Korean surface-to-surface missiles (FROG 5 and FROG 7) provided by the Soviet Union, and perhaps also within range of heavy artillery. 13/ Seoul's closeness to the DMZ engenders a persistent sense of vulnerability and state-of-seige mentality. But it is probably true that anxiety in the

11/ Two avenues of approach suitable for a major attack lead directly to Seoul. Both of these attack routes were used by the North Koreans in their invasion in June 1950. One avenue, the Chorwon valley, passes through mountainous terrain. The other, Kaesong-Munsan, is over relatively flat terrain, but, except for winter freeze conditions, has a major water barrier, the Han River and irrigated rice fields. Far Eastern Economic Review, February 27, 1976, pp. 26-27; HASC FY 1977, p. 810; SFRC, Subcommittee on Foreign Assistance, FY 1977, International Security Assistance, p. 104; North Korean pilots reportedly participated in the October 1973 war in the Middle East.

12/ Parvez Hasan, Korea: Problems and Issues in a Rapidly Growing Economy. (World Bank, Johns Hopkins, 1976), pp. xiii, pp. 5, 7-8; "Income distribution in Korea is generally more equitable than in comparable developing countries," p. 22.

13/ Japanese Defense White Paper, 1976, pp. 27-28; Far Eastern Economic Review, May 6, 1977, p. 27.

South is accentuated by the alarmed calls to vigilance and national unity by the controlled media in South Korea.

The military balance between North and South Korea has not been and, of course, will not remain static. For example, North Korea apparently has increased its armored divisions from one to two in the last couple of years. ^{14/} Although emphasizing self-reliance, North Korea would probably like to acquire some more advanced weapons from the Soviets, such as the SA-6 surface-to-air missiles the Soviets made available in the October 1973 war in the Middle East. South Korea has signed the Nuclear Non-proliferation Treaty. However, there have been reports that South Korea has an interest in developing nuclear weapons. ^{15/}

U.S. Force Drawdowns and South Korean Force Improvements

In 1971, as noted in Chapter III, the United States, applying the Guam Doctrine, withdrew from Korea and from the force structure one of the two infantry divisions there. The remaining division (the Second) was drawn back from the DMZ, with a unit retained in the Panmunjom area for security and evacuation. This decision reflected a U.S. appraisal of growth in South Korean capability to defend itself against a North Korean attack. But, the United States also recognized a continuing need to augment South Korean tactical air assets to balance the North Korean tactical air capabilities. Therefore, the United States increased its tactical air presence in South Korea by transferring an F-4 wing from Japan.

To compensate for the U.S. withdrawal, a five-year modernization plan was initiated by the United States and the Republic of Korea (ROK), to be financed by \$1.5 billion in U.S. military assistance. The plan included both ground force and air defense improvements, such as artillery and HAWK surface-to-air missiles.

^{14/} The Military Balance, 1974-1975, p. 56; The Military Balance 1975-1976, p. 56; The Military Balance, 1976-1977, p. 57; Far Eastern Economic Review, May 6, 1977, p. 27.

^{15/} Newsweek, op. cit., p. 32; New York Times, August 25, 1976, p. 43; Washington Post, May 27, 1977, p. 1; and Far Eastern Economic Review, June 10, 1977, pp. 10-11.

Inflation and other constraints have delayed the scheduled completion of the program until about the end of fiscal year 1977.

In mid-1975, perhaps prompted by the collapse of U.S.-supported forces in Vietnam, South Korea initiated its own ambitious and expensive (\$4-5 billion) Force Improvement Program (FIP), financed primarily by a new income tax surcharge. This initiative raised the percentage of South Korea's GNP devoted to defense from 5 percent to 7-7.5 percent. The FIP includes substantial increases in modern fighter aircraft (F-4E and F-5E); air defense improvements; upgraded tank force; acquisition of TOW antitank missiles; domestic production of some artillery and small arms (e.g., M-16 rifles); and reportedly, an enhancement of logistics and war reserve munitions. ^{16/} The hope was that within five years (by about 1980), South Korea would be on a "rough par" with the North and "develop a force structure capable of meeting and defending against a North Korean attack with U.S. logistical support only." More than 50 percent of the FIP financing requires foreign exchange. Without substantial Foreign Military Sales credit assistance from the United States, the 1980 completion goal may not be feasible. ^{17/} There is also the risk that ambitious South Korean force improvements will induce further North Korean actions beyond their already considerable force enhancement efforts of recent years.

^{16/} HASC FY 1977, p. 806. Indigenous production by South Korea of "ground forces equipment, munitions for war reserves" was suggested by Secretary Schlesinger as an example of "those areas in which the obvious weaknesses of the Korean forces occur." Press Conference, Tokyo, August 29, 1975. See also Congressional Record, October 1, 1976, pp. S18058-61.

^{17/} SFRC FY 1977, April 4, 1976, pp. 105, 114, 115; HASC FY 1977, pp. 795-796, 806; President Park of South Korea stated in 1975 the goal of independence of U.S. support within five years. New York Times, August 21, 1975, p. 1.

U.S. FORCES IN KOREA: COMPONENTS AND THEIR ROLES

Force components. In 1977, the main U.S. elements remaining in South Korea are the following: 18/

U.S. Army

- o Second Infantry Division
- o Major Logistics Support Element (19th Support Brigade)
- o 38th Air Defense Artillery Brigade (administers and controls six batteries of NIKE/HERCULES and twelve batteries of HAWK surface-to-air missiles)
- o Fourth Missile Command ("Long-range artillery support" to the South Korean Army, including one battalion of HONEST JOHN and SERGEANT tactical surface-to-surface missiles)
- o Command, communications and control, and intelligence

U.S. Air Force

- o Two U.S. Air Force wings, including three tactical fighter squadrons
- o Support elements including intelligence and communications, and maintenance of two air bases in "caretaker" status for potential deployment of additional U.S. tactical aircraft

18/ HASC FY 1977, pp. 765-766, 785, 789, 792-793. In 1977, the U.S. Army began deactivating and withdrawing from South Korea the SERGEANT missiles, which were the last remaining in its force structure. Washington Post, April 15, 1977, p. A-25. By the end of fiscal year 1977, the United States is scheduled to have completed the process of transferring responsibility to South Korea for operating NIKE/HERCULES surface-to-air missile batteries. Rumsfeld FY 1978, p. 169.

Personnel levels. There were 41,336 U.S. military personnel in South Korea in early 1977. By service, the level as of March 31, 1977 was Army, 33,507; Air Force, 7,245; Navy, 253 (headquarters staff); and Marine Corps, 331. 19/

Cost aspects. In the fiscal year 1977 budget request, about \$1.2 billion was requested for supporting the U.S. Army and Air Force elements stationed in South Korea. 20/ In addition, some U.S. bases in Japan would probably be important in support of U.S. forces in Korea in event of a conflict.

ROLES OF REMAINING U.S. FORCE COMPONENTS

Tactical air support. The expected important contribution of U.S. tactical air force elements in supporting South Korea against a North Korean attack was discussed briefly in Chapter V, dealing with contingencies considered in force planning related to Asia. The U.S. tactical air presence is relevant, not only to air defense of South Korea, but also to firepower needed against North Korean armored attack.

Logistical support. Logistical support has been and evidently will continue to be a critical U.S. contribution to South Korean defense, even in the 1980 time frame when the South's self-reliance will presumably have been substantially enhanced by its Force Improvement Program (FIP).

Logistical support involves a significant number of U.S. military personnel in South Korea. That number might grow significantly if a conflict occurs. Testimony by the Deputy Chief of Staff for Operations of the Army has described the logistical support role by the United States as follows: 21/

. . . We have a logistics system in Korea designed to support not only that division, but also the two Korean armies that are there, the 1st and 2nd Korean

19/ OSD (Comptroller), May 18, 1977.

20/ HASC FY 1977, pp. 766, 808-809.

21/ HASC FY 1976, pp. 2944-45; see also HASC FY 1977, pp. 766, 785, 795-796, 801; and SFRC FY 1977, p. 115.

Army, and that line of communication skeletonized now in peacetime runs all the way up from Pusan on the southern coast all the way to the DMZ.

. . . it is a skeleton force that is assumed in everyone's eyes to get a lot larger if in fact there is a major conflict there involving Soviet or Chinese forces. That is why there is a corps headquarters rather than just a division headquarters. [Emphasis added.]

Intelligence support provided by U.S. force components is a critical function, not only for U.S. forces, but also for South Korean forces in terms of warning, attack assessment, and tactical support. 22/

Ground-based air defense is a mission to which U.S. Army forces make a major contribution, such as operating 12 HAWK surface-to-air missile batteries.

Role of the U.S. infantry division. Executive Branch testimony during the Ford Administration did not base the continuing presence of the Second Infantry Division in South Korea primarily upon anticipated need in combat. Instead, the justification presented primarily stressed the contribution to political stability in Northeast Asia in general and on the Korean peninsula in particular. Emphasis has also been upon providing high-confidence deterrence of North Korean attack, discouraging either Soviet or PRC support for such a move, and hedging against the uncertainties of how effective North and South Korean forces might actually be in combat.

Stability. The contribution of remaining U.S. forces, particularly of the Army division, to stability on the Korean peninsula is related to the U.S. operational control of South Korean as well as U.S. forces. That predominant role and responsibility of the United States in command and control is derived in large part from the presence of the division. A U.S. general has operational control over the U.S. and South Korean forces, and a U.S. Lt. General commands I Corps north of Seoul, which includes 1 U.S. division and 12 ROK divisions. Without the U.S. division, it may be quite unlikely that the

22/ Far Eastern Economic Review, May 6, 1977, p. 26.

South Korean Government would allow the United States to retain as dominant an influence in the force command structure.

The stabilizing function of U.S. operational control of both South Korean and U.S. forces was described by Secretary of Defense Schlesinger as follows 23/

Today, U.S. operational control over ROK military forces, in which the ROK Government concurs, helps to assure the maintenance of a cautious and nonprovocative deterrent posture in our mutual efforts to maintain peace and stability in the area. It insures that an immediate response in a contingency would be closely controlled. [Emphasis added.]

Deterrence. The deterrent function of the remaining U.S. infantry division has not been so directly tied to its size (full strength or one brigade, for example) as to its physical presence, which cannot be removed as quickly as a tactical air squadron, and to its location north of Seoul.

In 1976, the location of the U.S. Second Infantry Division was succinctly stated by the Deputy Chief of Staff of the Army for Operations to be "admittedly far forward" and "astride the main North Korean avenue of approach to Seoul." 24/

Other testimony by the Army has described the physical location of the division and its "reserve position":

The bulk of the division is in Uijongbee area which, as the Secretary says, is close to the DMZ. The division under alert conditions would move out of its casern, out of its cantonment into a reserve position and would not be committed initially unless it were attacked by air or something else. [Emphasis added.] 25/

23/ House Appropriations Committee, Hearings on Department of Defense Appropriations for FY 1975, pp. 581-594; see also HASC FY 1975, p. 51; and Schlesinger press conferences of August 29 and September 1, 1975.

24/ HASC FY 1977, pp. 765, 792, 812.

25/ House Armed Services Committee, Hearings on Military Posture, FY 1976, p. 2942.

. . . of course, the North Koreans have poised opposite that major avenue of approach the bulk of their forces, and it's a capability that must be reckoned with by the North Koreans, and therefore, is a very clear deterrent signal. 26/

Some concern has been expressed that because of the proximity of the U.S. ground force elements to the DMZ and to one of the avenues of a North Korean attack, the United States might become "automatically" involved in a renewed Korean conflict before the responsibility for the outbreak became clear and before the United States had an opportunity to evaluate events and weigh responses. With the possibility of little warning of an attack, the situation is one in which the U.S. Government would have little time to make a decision about whether and how to involve the U.S. division. Other observers believe that even without the division, a continued U.S. force presence near the DMZ -- even if only tactical air units -- entails likely early U.S. involvement in hostilities, however they begin.

Tactical nuclear weapons. The United States has deployed in South Korea some delivery systems, such as F-4 aircraft and HONEST JOHN and SERGEANT surface-to-surface tactical missiles, that are able to deliver tactical nuclear warheads. In mid-1975, the United States publicly acknowledged deployment of tactical nuclear weapons in South Korea. Secretary Schlesinger emphasized that, although the balance of ground forces in Korea was satisfactory and the "purpose and thrust of our military policy has been to raise the nuclear threshold," the United States maintained its policy of not foreclosing the option of using tactical nuclear weapons. 27/

In its 1976 Defense White Paper, the Japanese Government referred to the acknowledged presence of U.S. tactical nuclear weapons in South Korea and noted the belief that they "have considerable deterrent effects." 28/

26/ HASC FY 1977, p. 812; see also pp. 777, 780.

27/ Secretary Schlesinger, response to questions with Godfrey Sperling press group, July 1, 1975; Press Conference, August 27, 1975.

28/ JDWP, p. 28.

FUTURE WITHDRAWAL OF THE U.S. INFANTRY DIVISION FROM SOUTH KOREA

Statements by the Carter Administration suggest that the basis for the decision announced in early 1977 to withdraw, over a four or five year period, the remaining U.S. division in South Korea is similar to the rationale of the Nixon Administration to remove the other division during 1971: the demonstrated and expected growth in South Korean economic and military capability for increased responsibility for its defense, with the United States retaining an important but diminished role. The continued presence of the U.S. division is judged by President Carter not to be necessary to maintain stability on the Korean peninsula.

President Carter recently stated 29/

I think it is accurate to say that the time has come for a very careful, very orderly withdrawal over a period of four or five years of ground troops, leaving intact an adequate degree of strength in the Republic of Korea to withstand any foreseeable attack and making it clear to the North Koreans, the Chinese, the Soviets, that our commitment to South Korea is undeviating and is staunch.

We will leave there adequate intelligence forces, observation forces, air forces, naval forces, and a firm, open commitment to our defense treaty, so there need not be any doubt about potential adversaries concerning our support of South Korea.
[Emphasis added.]

Secretary of Defense Brown has expressed confidence that over the next several years, South Korea, with U.S. assistance, can compensate for the removal of the U.S. infantry division and overcome some disadvantages compared to North Korea in equipment, by increasing tanks, artillery, antitank weapons,

29/ President Carter's news conference of May 26, 1977; see also his interview with U.S. News & World Report (June 6, 1977), p. 19; Secretary of Defense Brown has indicated that "U.S. air and logistics support" will be maintained in South Korea. Statement to National Press Club, May 25, 1977. [Emphasis added.]

and training. As the U.S. infantry division is withdrawn, the United States may leave behind most of its equipment, such as helicopters, artillery, and tanks, for use by the South Koreans. A similar action was taken when the United States withdrew another division in 1971. Secretary Brown has said 30/

Naturally, removing U.S. forces, if you don't do anything else, affects that balance and increases the risk. But the whole thrust of the U.S. policy is to take compensating steps to make that an acceptable situation.

There will probably be substantial increases in South Korean requests for U.S. foreign military sales above recent levels, such as the Administration's request for fiscal year 1978 of \$275 million for private credit financing guaranteed by the Department of Defense. 31/

The Possible Consequences of Withdrawing the U.S. Division in Korea

Withdrawal of the remaining U.S. infantry division from South Korea may have adverse consequences:

- o It could increase the likelihood of conflict between the two Koreas.
- o It could increase the incentive for South Korea to acquire nuclear weapons.
- o It may increase political repression in South Korea.
- o It may stimulate more arms competition between North and South Korea.

Much would depend upon the manner and timing of any reduction, the evident nature of continuing U.S. involvement, and the psychological atmosphere. For example, if the United States

30/ Secretary of Defense Brown, interviewed on CBS-TV's "Face the Nation," May 22, 1977.

31/ New York Times, June 5, 1977, p. 1.

made a point of demonstrating the ability to redeploy some forces, such as Marines or tactical air, within a few hours or days, then such periodic actions might make a considerable difference.

With respect to stability on the Korean peninsula, the predominant U.S. role in the command and control structure of U.S. and South Korean forces has been a stabilizing element in terms of both "nonprovocative deterrence" of the North and measured response to incidents. The withdrawal of the U.S. division could make it very unlikely that the United States could retain as dominant and stabilizing a role in the command structure.

Because other U.S. force elements, such as tactical air and air defense support, which are considered critical to South Korea's defense needs, would probably be retained, the withdrawal of the U.S. infantry division may not significantly reduce the risk of early U.S. combat involvement in a renewed Korean conflict.

With respect to nuclear proliferation, the United States would presumably retain significant leverage on that matter with the South Korean Government and potential suppliers of related technology. But there seems little doubt that the withdrawal of the division could substantially increase South Korean incentive to acquire nuclear weapons.

DIFFICULT POLICY CHOICES BECAUSE OF CONFLICTING U.S. OBJECTIVES

In considering the role of remaining U.S. forces in South Korea, the choice of alternative postures is difficult because of the conflicting U.S. policy objectives described earlier in this paper. On the one hand, diminished U.S. ground force presence is consistent with emphasis on increased self-reliance of Asian allies, particularly in ground forces. On the other hand, diminished U.S. presence and the associated reduction in influence in the command and control structure probably reduces stability on the peninsula and thereby in Northeast Asia. Thus, it would be contrary to the U.S. objective of maintaining that stability. Also, some continuing U.S. force presence and role, particularly that relating to command, control, and logistics, are related to the continuation of some South Korean deficiencies in such key functional areas, which in turn are part of the

justification of continued U.S. involvement and responsibility. In this instance, U.S. force roles related to stability may undermine or postpone South Korean self-reliance in critical areas of force effectiveness.

Perhaps the most important and troublesome conflict of U.S. policy objectives with respect to U.S. force presence in Korea is the conflict between discouraging nuclear proliferation, particularly in such tinderbox areas, and encouraging greater self-reliance of Asian allies, especially South Korea.

CHAPTER VII. U.S. GENERAL PURPOSE FORCES CURRENTLY DEPLOYED IN EAST ASIA AND THE PACIFIC

The purpose of this chapter is to describe U.S. general purpose forces currently deployed in East Asia and the Pacific. This presentation provides a foundation for considering the alternatives set forth in Chapter VIII.

FORCE LEVEL AND STRUCTURE IN EAST ASIA AND THE PACIFIC

The general purpose force structure deployed in fiscal year 1977 in the East Asia and Pacific theaters remains substantial. It includes three active divisions, two Army and one Marine Corps; six aircraft carriers, including their associated escort vehicles; and nine Air Force tactical fighter squadrons. (See Table 1.) Nearly half of the Navy's order of battle and at least a third of the Marine Corps' divisional structure is in the Pacific.

As can be seen from Table 2, of the Navy's total general purpose force level in the Pacific, as of November 1976, 211 or about one-fifth are in the Western Pacific under control of the Seventh Fleet. ^{1/} However, in the case of aircraft carriers, two out of the five generally operational are forward deployed in the Western Pacific. Some of the forward-deployed vessels are homeported in Yokosuka, Japan, and return to the United States only when major overhaul is required. Other forward-deployed vessels, such as those used by the Marines for the two amphibious ready groups (which support two battalion landing teams), rotate from homeports of the Third Fleet, such as San Diego, out to the Western Pacific for several months. Upon return, they are replaced by other Third Fleet ships.

^{1/} The Seventh Fleet's operational area is concentrated in the Western Pacific, but basically includes the Pacific Ocean area west of Hawaii and also the Indian Ocean. Its administrative headquarters is located in Yokosuka, Japan, near Tokyo. The Third Fleet's operating area is basically the Pacific east of Hawaii, and its administrative headquarters is in San Diego, California.

TABLE 1. MAJOR FORCE STRUCTURE ELEMENTS DEPLOYMENT IN EAST ASIA AND THE PACIFIC IN FISCAL YEAR 1977

	Total Deployed in East Asia and Pacific	Total Units in Active Force Structure and Percentage in East Asia and Pacific	Location of Deployment
Army	2 Divisions	16 (12.5%)	Infantry Division (2d) in South Korea Infantry Division (25th) in Hawaii
Marine Corps	1 Division & 1 Air Wing	3 Divisions (33 1/3%)	2/3 of 3rd Marine Division in Okinawa, Japan 2/3 of 1st Marine Air Wing in Iwakuni and Okinawa, Japan 1/3 of 3rd Marine Division and Air Wing in Hawaii
Navy	6 Aircraft Carriers	13 Carriers (46%)	2 Forward deployed in Western Pacific 4 in Third Fleet, East of Hawaii
	6 Amphibious Ready Groups	12 (50%)	2 West of Hawaii 4 East of Hawaii
	12 ASW Patrol Squadrons	24 (50%)	3 1/3 in Western Pacific 8 2/3 in Hawaii, West Coast, and Alaska
Air Force	9 Tactical Fighter Squadrons	74 (12.2%)	2 Squadrons in Philippines 4 Squadrons in Okinawa 3 Squadrons in Korea
	2 Tactical Airlift Squadrons	16 (12.5%)	1 Squadron in Japan 1 Squadron in Philippines

SOURCE: Office of Secretary of Defense.

TABLE 2. U.S. NAVAL FORCE LEVELS IN THE PACIFIC (NOVEMBER 1976)

	Total	3rd Fleet	Western Pacific	7th Fleet
				Number Typically Deployed to Indian Ocean in a Year <u>b/</u>
CV/CVN (Aircraft Carriers)	6	4(1) <u>a/</u>	2	1
CG/CGN (Cruisers)	15	11(3)	4(1)	3
DD (Destroyers)	10	8(1)	2	
FF/FFG (Frigates)	33	25(5)	8(1)	7
DDG (Guided Missile Destroyer)	18	12(2)	6	
MLSF (Mobile Logistics Support)	23	17(4)	6	4
Auxiliary	38	33(4)	5	
SS/SSN	36	31(9)	5	
Amphibious	32	24(6)	8	
	211	165(35)	46	15

NOTE: Eleven of the 46 vessels in the Western Pacific are homeported at Yokosuka, Japan. One of the 9 combatants included within the 11 is a carrier. Major overhauls on a carrier such as the Midway, which began homeporting in Yokosuka in 1973, would probably be done back in the United States, such as at the Bremerton Naval Shipyard near Seattle.

SOURCE: U.S. Navy (Pacific Fleet Headquarters, Hawaii, November 1976).

a/ Vessels in overhaul status in parentheses.

b/ Vessels deployed to Indian Ocean periodically are from the 7th Fleet figures shown under Western Pacific.

In the Southwest Pacific and Southeast Asia, the present Soviet threat is remote. The threat of direct aggression against an ally of the United States is also remote. However, the United States -- particularly the Navy, but also the Air Force to a lesser degree -- retains a large presence near and in the Philippines.

The U.S. Navy allocates a substantial portion of the Seventh Fleet's peacetime activity pattern to the South China Sea, off the coast of the Philippines, where the weather is generally better than that nearer the Soviet threat and where excellent training and instrumented test ranges are available. (See Appendix for under way ship days of the Pacific Fleet by geographic region.)

The Navy's presence at Subic Bay in the Philippines and in the South China Sea is related in part to the existing requirement to maintain two aircraft carriers forward deployed in the Western Pacific and to deploy some naval units to the Indian Ocean periodically (for portions of at least three quarters within a year). 2/

Clark Air Force Base in the Philippines is the largest overseas U.S. air base in terms of area and authorized personnel. The base includes a major bombing and test range. The base's several functions include providing military airlift support for operations in Southeast Asia and toward the Indian Ocean/Persian Gulf.

The force posture of general purpose forces in East Asia and the Pacific has not and will not remain static. In 1975, the forward-deployed aircraft carriers in the Western Pacific were reduced from three to two. In 1975 and 1976, U.S. tactical aircraft were withdrawn from Thailand; two of the squadrons of F-4s were redeployed to the Philippines and Japan. During 1977, the first general purpose helicopter assault ship (LHA) for the Marine Corps will enter service with the Pacific Fleet. It is equivalent in size to World War II ESSEX class aircraft carriers and capable of a "wide range of crisis response functions." 3/

2/ Discussions with U.S. Navy, Pacific Fleet Headquarters, Hawaii.

3/ Schlesinger, FY 1976, pp. III-79-80; Rumsfeld, FY 1978, pp. 183, 200.

Major qualitative improvements in tactical air capability, such as laser-guided munitions, and in ASW forces, such as 688 (Los Angeles) class nuclear attack submarines, have already entered the force. New generation weapon systems, such as the F-15, may well be deployed to the Pacific theater.

MILITARY PERSONNEL LEVELS IN EAST ASIA AND THE WESTERN PACIFIC

At the beginning of fiscal year 1977, the level of U.S. military personnel stationed in the Western Pacific and East Asia was 132,000, 48 percent fewer than at the end of fiscal year 1964, the last year prior to the major build-up in Vietnam. 4/

U.S. Military Personnel Stationed in East Asia and the Western Pacific (end of fiscal year, in thousands)

<u>1964</u>	<u>1968</u>	<u>1973</u>	<u>1975</u>	<u>1976</u>
251	874	215	166.6	132.2

Table 3 presents the military personnel levels in the Western Pacific and Southeast Asia during fiscal years 1960, 1964, 1969, 1975, 1976, and 1977. Examination of that historical trend reveals that the levels during fiscal year 1976 represent a substantial reduction in some countries from both the fiscal year 1964 -- typically regarded as the "pre-Vietnam" baseline year -- and fiscal year 1960 levels.

Excluding personnel withdrawals from Southeast Asia, and considering either fiscal year 1960 or fiscal year 1964 as the baseline, the most substantial reduction in terms of manpower has been in Japan, particularly in metropolitan Japan rather than Okinawa. The reduction in South Korea by fiscal year 1976

4/ Office of the Secretary of Defense (Comptroller), actual strengths rather than authorized. Western Pacific and East Asia includes Korea, Japan, Taiwan, Philippines, Vietnam, Thailand, Guam, and afloat personnel in Western Pacific and Southeast Asia.

TABLE 3. U.S. MILITARY PERSONNEL: IN THOUSANDS, END FISCAL YEAR a/

Fiscal Year	Japan (including Okinawa)	Korea	Philippines	Taiwan	South Vietnam	Thailand	Afloat	Total
1960	75.9	52.3	11.5	6.6	0.8	0.3	NA	147.4
1964	89	63	15	4	17	4	52	244
1969	83	61	27	9	539	48	75	842
1975	48	42	15	3.6	0	20	28	156.6
1976	45.3	40.4	14.6	2.2	0	1.2	18.9	122.6
197T <u>b/</u>	46.8	39.1	15.5	2.1	0	0.2	19.2	122.9
Fiscal Year 1976 as a Percentage of:								
Fiscal Year 1964	51%	64%	97%	55%	0	30%	36%	50%
Fiscal Year 1960	60%	77%	127%	33%	0	400%		83%
Personnel Reductions, Fiscal Year 1976 from Fiscal Year 1964 "Baseline"								
	-43.7	-22.6	-0.4	-1.8	-17	-2.8	-33.1	-121.4

SOURCE: Office of Secretary of Defense (Comptroller).

a/ Fiscal Year 1960 figures are for March 1960.

b/ The transitional quarter (ending September 30, 1976) between fiscal year 1976 and fiscal year 1977.

NOTE: Guam excluded.

was about 33 percent from fiscal year 1964 and 25 percent from fiscal year 1960.

Military personnel in Taiwan have been substantially reduced compared to fiscal year 1964, particularly since President Nixon's trip to China in 1972. The U.S. military presence in Thailand was greatly reduced after 1975. The sharp reduction in afloat personnel between fiscal years 1975 and 1977 results from the reduction of forward-deployed aircraft carriers in the Western Pacific from three to two.

In contrast to these general trends, military personnel levels in the Philippines in fiscal year 1976 were at essentially the same level as in fiscal year 1964 and almost 30 percent higher than in fiscal year 1960.

THE PROBLEM OF IDENTIFYING AND COSTING FORCES "FOR ASIA"

Some observers have attempted to prepare a discrete baseline of general purpose forces "for Asia." The baseline derived by some with this approach has included the forces deployed in East Asia and the Pacific (discussed above) plus some forces located in the continental United States. While this approach simplifies analysis of force structure issues, in reality it is difficult to identify more than a few major general purpose force units -- such as the Army division in South Korea -- that can reasonably be said to exist solely "for Asia."

Another problem in attempting to identify and cost forces "for Asia" is that, even assuming no U.S. commitments to allies in East Asia and the Western Pacific, the United States would very likely deploy some forces in and around Hawaii and in the Eastern Pacific for direct defense of the United States.

Perhaps the most significant difficulty is that some major forces deployed in the Western Pacific and East Asia are flexible, particularly the large portion of the U.S. Navy that could be redeployed for use in another theater, such as the Atlantic. Although this is especially true of naval forces, it is also the case with such units as the Army division in Hawaii, which could be airlifted to another theater. Moreover, there are some force units stationed in the continental United States, such as the F-111s flown from Idaho to South Korea in response to the Panmunjom incident in August 1976, which can be deployed to

other areas as well. For example, later in 1976, the squadron of F-111s was relocated from Idaho to the United Kingdom. There are at least three U.S. Army infantry divisions, located in Hawaii (25th), Ft. Lewis, Washington (9th), and Ft. Ord, California (7th), that, along with the Marine Division and Air Wing in Southern California and the Third Fleet in the Eastern Pacific, have been counted by some observers as "for" or earmarked for Asia. Characterizing and scoping the general purpose forces for Asia in such a manner has been the basis for an estimate that \$20 billion (20.5 percent) of the fiscal year 1976 Defense Department budget was "for Asia." 5/

A contrary view is that much of the Third Fleet would be transferred to the Atlantic in a NATO/Warsaw Pact conflict and that, although not as mobile as the F-111s mentioned above, even the Army and Marine divisions on the west coast and in Hawaii -- with strategic airlift capabilities that have been enhanced -- are not necessarily "for Asia." In fact, the Department of Defense has identified those divisions as part of a "swing" force that could be deployed to a major contingency in either Europe or Asia. 6/ This view would result in allocating about \$5 billion, or about 4.5 percent of the fiscal year 1977 defense budget, to those forces that would remain deployed in East Asia and the Western Pacific in event of a NATO war.

Thus, there is no direct and unambiguous answer to the question of what U.S. Asian policy costs in terms of required military forces. Therefore there is no specific baseline force for Asia.

This chapter has described the U.S. forces in the Pacific and in East Asia, without attempting to argue the issue of whether or not they are "for Asia." In Chapter VIII, the costs of various alternative force postures in Asia and the Pacific are compared with those of all general purpose forces programmed by the Department of Defense for fiscal years 1978 to 1982, showing how the alternatives would affect those overall cost levels.

5/ "Controlling the Defense Budget," by Barry M. Blechman and Edward R. Fried, Foreign Affairs (January 1976), Vol. 54, pp. 223, 249.

6/ Schlesinger, FY 1976, p. III-30.

CHAPTER VIII. ALTERNATIVES TO CURRENT POSTURE IN EAST ASIA AND THE PACIFIC

PURPOSE AND APPROACH ADOPTED

The focus of debate on the U.S. defense posture in Asia, apart from Vietnam, has in recent years been on the question of withdrawing or retaining the U.S. Army Second Infantry Division deployed in South Korea north of Seoul. Withdrawal is an important issue, and it is addressed in this paper.

There is a wider range of force structure issues in the Western Pacific that relate to the Navy, Marine Corps, and Air Force and to deployments located outside of Korea -- in and near Japan, the Philippines, and Hawaii, for example. The principal purpose of this paper is to illustrate the wider range of alternatives that involves, not only reduction and restructuring in East Asia and the Pacific, but also possible transfer of force components for European/NATO missions. Another purpose is to highlight some dilemmas where competing U.S. objectives make choices more difficult.

The alternatives considered in this chapter are grouped into three major sets:

- o Force reductions
- o Force realignments
- o Force enhancement in Northeast Asia.

Several different force reduction options are examined in this chapter. Three options involving force realignment toward NATO-related needs -- without any additions or reductions from the overall general purpose force -- are discussed.

Among the options of either reductions or realignments, one option could be chosen or, depending upon appraisal of priority requirements and related forces and risks involved, more than one could be chosen within reductions or realignments, thereby enabling additional budget reductions or larger transfers to

NATO/European missions. This chapter concludes by examining one multi-faceted option of force enhancement in Northeast Asia, entailing only relatively modest cost increases.

Each of the three major sets of alternatives or options rests on a different set of assumptions about the adequacy of the present U.S. force structure to meet military and political requirements in Asia and Western Europe. The purpose of this paper is not to make a case for one set of assumptions over another, but rather to spell out options that could be considered after one has chosen a particular set of assumptions.

FORCE REDUCTIONS

The options below, involving reductions from the present force structure, are based upon the assumption that the general purpose forces deployed in East Asia and the Pacific are in excess of military and political requirements in that theater, and, moreover, that forces in Europe or designated "for NATO" are sufficient to meet military and political requirements for Europe.

The options identified and discussed below involve removal from the overall U.S. general purpose force structure of certain force elements currently deployed in East Asia and the Pacific, and commensurate reductions in the support establishment in the continental United States.

A. 1. Withdrawal of the Remaining Division in South Korea from the Force Structure

This alternative involves the withdrawal of, and removal from the force structure of, the U.S. Army infantry division deployed in South Korea. The withdrawal would be over three years, beginning in fiscal year 1978 and completed by the end of fiscal year 1980. Withdrawal would include all nondivisional units supporting the division except air defense and surface-to-surface missile units. The withdrawal would be based upon consultation with South Korea as well as Japan.

Withdrawal of the remaining U.S. infantry division in South Korea might be based upon the following rationale: Basic U.S. policy since at least 1969-1970, when the Guam Doctrine was

adopted, has been to encourage and expect increased self-reliance by Asian allies, particularly in providing manpower for ground combat operations in their own defense. Since the last major U.S. troop reduction in South Korea during 1971, South Korean capabilities have been increased with U.S. military assistance. This increase will continue with the ambitious Force Improvement Program undertaken by South Korea during 1975 with a completion goal around 1980-1981.

The military balance between South and North Korea does not leave South Korea deficient in ground force manpower, given its current capabilities and large-population base advantage over the North. This option would retain the U.S. tactical air force presence in South Korea to offset the decreasing disadvantage of South Korea in modern fighter aircraft compared to North Korea. This alternative would minimize, if not eliminate, the possibility of early U.S. ground combat involvement in a renewed Korean conflict -- with little time available for the U.S. Government to evaluate events and consider responses -- resulting from the presence of the U.S. division north of Seoul, astride one of the potential invasion routes by North Korea.

This alternative might assume that the large U.S. Marine Corps presence in Okinawa would be retained and be available as an in-theater, "quick response" reserve that North Korea would presumably take into account. Occasional major exercises demonstrating capability for rapid reinforcement of tactical air and perhaps of ground force elements could be conducted, also hopefully having a significant deterrent effect on North Korea. Consistent with the Guam Doctrine, this option would not involve the abandonment of the U.S. defense commitment to South Korea. Japanese reaction to the phased withdrawal would be expected not to be one of serious alarm, as long as the United States retained significant forces in South Korea and Japan, and the U.S. naval force presence was not reduced.

Withdrawal of the remaining division could be opposed on several grounds. As a result of the withdrawal, the anxiety in South Korea and disbelief in U.S. assurances of continued commitment could sharply increase the South Korean Government's motivation to acquire nuclear weapons. It might also be argued that the logistical support units of U.S. ground forces are critical for support of South Korean forces and could not be replaced within three years (fiscal years 1978-1980) with adequate Korean units. Although obviously less directly affected, the Japanese

Government would not be indifferent and would be more likely to consider substantial rearmament (even including nuclear weapons if it appeared that South Korea were developing that capability). Critical foreign investment in the South Korean economy might be curtailed, reflecting diminished confidence in stability on the peninsula. The PRC's reaction might be to question the steadfastness of the United States as a counterweight to the Soviet Union in Northeast Asia. Other Asian nations might regard the withdrawal as a precursor of further substantial U.S. force drawdowns in East Asia and the Western Pacific.

The most fundamental concern prompting opposition to the withdrawal, however, would be that the chances of a North Korean attack would be increased, perhaps dangerously, with grave consequences for peace in an area where major powers may be drawn into the conflict.

It might be argued that, although from a static military balance point of view the U.S. division is not clearly needed, its deterrence value nevertheless is very high, partly because of past U.S. policy declarations about the division's role. The division's presence can be seen as a hedge against the uncertainty of the predicted effectiveness of the South Korean ground forces in resisting a North Korean attempt to seize Seoul.

It is unlikely that South Korea would allow the United States to retain as dominant an influence in the force command structure as it presently has. A reduced U.S. presence and role in the command and control structure might hamper substantially U.S. ability to restrain the potential of incidents to escalate.

A variant on this alternative could be to augment the U.S. tactical air presence as a partial compensation for withdrawing and deactivating the infantry division. One or both of the two U.S. Air Force tactical fighter squadrons of F-4s in the Philippines could be transferred to South Korea, with essentially no net additional cost, after the initial one-time costs of moving the two squadrons and upgrading an existing base in South Korea in "caretaker" status, which might cost as much as \$100 million.

OPTION A-1. WITHDRAWAL AND REMOVAL FROM FORCE STRUCTURE OF THE
INFANTRY DIVISION IN KOREA

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
-100	-300	-500	-600	-600	-2,100

This estimate assumes that the division and its tactical, combat, and logistical support elements (except air defense and surface-to-surface missile units) plus those dollar and manpower resources associated with the support of the division (and its direct support elements) in the mission support and central support forces are withdrawn from the Army over a three-year period. If the air defense (HAWK) units were also withdrawn, then the additional cost impact would be at least \$100 million. Annual redeployment exercises of brigade level could cost about \$20 million per year.

A. 2. Phased Reduction to Brigade Level of the Remaining
U.S. Infantry Division in South Korea

This alternative would involve a phased reduction of the remaining division from the present essentially three brigades down to one brigade by the end of fiscal year 1980.

General arguments for a reduction to one brigade are similar to those for withdrawing the division entirely. However, retention of one brigade would be based in particular upon a rationale that stressed the deterrence value of continuing a U.S. ground force presence as a "trip wire" located north of Seoul, astride one of the potential invasion routes.

Retention of one brigade would facilitate maintenance of the stabilizing, predominant U.S. role in the command and control

of South Korean and U.S. forces. Retention of one brigade might also be based upon the need to provide a nucleus for reinforcement (should that later prove necessary, contrary to expectations) that was closely familiar with the operational environment in South Korea.

The arguments against the reduction to one brigade are again similar to those opposing withdrawal of the division. Retention of the brigade for deterrence purposes would leave the United States in a position of risking early "automatic" ground force involvement in a renewed Korean conflict. Yet the brigade would be small enough that it might well be incapable of operating as a self-sustaining combat unit, thereby being a "hostage" to events and other forces.

It is worth recalling that the "trip wire" concept for a lower level forward deployment as an effective deterrent was first popularized in the NATO context after 1949. At the time, the United States had overwhelming superiority in strategic nuclear weapons and the resolve of the United States to respond if the "trip wire" were activated was comparatively unquestioned. Moreover, the "trip wire" assumed a highly calculating, "risk-averse" opponent. The Soviet Union has generally been such an opponent, but North Korea has been much less so.

In the Western European context, the inherent strategic value to the United States of the location of a "trip wire" force was obvious to a potential aggressor. This is not the case with respect to South Korea, considered in isolation. Moreover, the U.S. will to respond, particularly since the collapse of U.S.-supported forces in Vietnam, is perhaps not as credible, especially to South and North Korea, as it might have been prior to the outcome in Vietnam. Some of this credibility problem could be alleviated by the redeployment exercises mentioned above.

A variant of this alternative could be to deactivate the Second Division, but retain one brigade as an organizational part of the 25th Division in Hawaii (which is presently one brigade short), and mechanize the one remaining brigade in Korea. Occasional redeployment exercises to Korea could be airlifted from Hawaii. This might be a more effective contribution to deterrence than being the last outpost of an otherwise deactivated division. The added cost of mechanizing the remaining brigade would be nominal because the current tank and

OPTION A-2. WITHDRAWAL OF TWO BRIGADES PLUS APPROPRIATE SHARE
OF SUPPORT STRUCTURE OF DIVISION

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
-60	-200	-330	-400	-400	-1,390

This estimate assumes that approximately two-thirds of the division and its direct support units, plus associated resources in the mission and combat support forces, are withdrawn from the Army over a three-year period. If the phased reduction to one brigade retained a support structure for a division-level effort, the budgetary reduction would be substantially less (nearly \$1 billion less over fiscal years 1978-1982).

mechanized battalions in the division could be retained in Korea to form a mechanized brigade.

B. 1. Withdrawal from Japan and from the Force Structure
of the Two-Thirds of a Marine Division and Air Wing

The Marine Corps is the largest U.S. force component stationed in Japan, 21,000, or nearly half of the 46,800 U.S. military personnel stationed ashore in Japan at the outset of fiscal year 1977. This option would concentrate on the substantial Marine Corps presence in Okinawa. The Marines use the largest portion of the nearly 15 percent of that crowded island reserved for U.S. bases.

It is important to note that the Marine forces are not required to be stationed on Okinawa in order to support afloat units in the Western Pacific (such as two battalion landing teams (BLTs) deployed on vessels of two amphibious ready groups).

Marine personnel could be airlifted to Japan or the Philippines to meet the ships rotated from the U.S. west coast or Hawaii.

The most likely major contingency in East Asia and the Western Pacific, a Korean conflict, probably does not call for the unique amphibious emphasis of the Marine Corps. If the Marines in Okinawa were sent to Korea, it would more likely be by military airlift aircraft rather than by slower surface transport.

If it is assumed that major manpower reductions are mandated in the forward-deployed forces in the Western Pacific, it would be a perhaps significantly lower risk to withdraw the two-thirds of a Marine division and air wing in Okinawa and the main islands of Japan instead of the Army division in South Korea. The Army division north of Seoul, while lacking the flexibility of the Marine division, at the same time clearly makes more of a direct contribution to deterring the outbreak of a Korean conflict.

Perhaps the strongest argument against this withdrawal and deactivation option would be that it would eliminate an in-theater, quick-reaction force whose continued presence might make total or partial withdrawal of the Army division from South Korea less destabilizing. This option would make subsequent withdrawal of the Army division a higher risk step. In particular, the deletion of the two-thirds of an air wing would substantially reduce the in-theater tactical air assets for deterrence and use in Korea.

In opposition to this option would be the view that the two-thirds of a Marine Corps division and its air wing are viewed by North and South Korea, as well as by the Japanese, as a theater reserve that would be one of the first to go to Korea should such a need be determined by the United States. Japan and other Asian nations might regard the reduction as a precursor to further withdrawals of greater concern. The "quick reaction" capability of the Marine Corps for dealing with "brush fires" in the Western Pacific is a force of impressive utility and deterrent value to some Japanese defense observers.

OPTION B-1. WITHDRAWAL AND DEACTIVATION OF THE TWO-THIRDS MARINE
DIVISION AND AIR WING IN JAPAN

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
-50	-170	-300	-360	-360	-1,240

This estimate assumes that the division and the tactical and logistical support elements, including fixed-wing aircraft, plus those dollar and manpower resources in the mission and combat support forces that are associated with the support of the division and air wing are withdrawn from the Marine Corps over a three-year period. If the Marine Corps' fixed-wing tactical aircraft were retained in Japan for a Korean contingency, the fiscal year 1978-1982 cost impact of that would reduce the above estimate by about \$200 million.

B. 2. Reduction of Marine Corps Presence in Japan,
Especially Okinawa, and Deletion from Force
Structure

This alternative would substantially reduce the Marine Corps presence in Okinawa without removing the basis for use in limited contingencies. It would reduce the Marine Corps presence in Okinawa by half, going from two regiments to one. The Marine air wing stationed at the crowded Iwakuni base in Japan could be reduced commensurately with the reduced ground force presence in Okinawa. Other Marine Corps forces, such as a battalion landing team, could be deployable rapidly by air from California or Hawaii to back up forward-deployed, afloat elements.

The basic rationale for this alternative would be that the scale of the Marine Corps presence in Okinawa seems considerably larger than the contingencies usually mentioned in justification

of its presence, and that consequently a smaller forward presence would be adequate.

Contingencies usually envisioned for the Marine Corps in East Asia are relatively small-scale contingencies. An example would be Americans caught in civil strife and becoming hostage to hostile fire, preventing low-risk commercial air flight evacuation and thus requiring an armed rescue force to enable safe departure. The timing and scale of such situations are, of course, impossible to predict with precision. In the Mayaguez incident in May 1975, the Marine Corps force elements actually employed were portions of a company-size assault team (about 120 men) to recapture the ship and two companies of a battalion landing team (BLT) to land on the nearby Cambodian island.

The arguments against this reduction of the Marine Corps presence in Japan would be similar to those against total withdrawal. Either option for deleting the Marine Corps elements from the force structure would require amending the National Security Act of 1947, which stipulates a minimum of three Marine combat divisions and air wings in the force structure.

OPTION B-2. REDUCTION OF MARINE CORPS PRESENCE IN JAPAN FROM TWO TO ONE REGIMENT

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
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-25	-85	-150	-180	-180	-620
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Estimate assumes proportionate reductions in air support over a three-year period.

C. Deletion of Army Infantry Division in Hawaii from the Force Structure

This option involves the deactivation of the Army infantry division in Hawaii and associated support units.

Of the major U.S. ground force elements deployed in the Pacific, the Army division in Hawaii is the farthest from Korea, the area in the region most likely to have substantial conflict involving U.S. forces. The division in Hawaii is also one of the farthest away from use in a NATO contingency. Given the current assessment by the Department of Defense of the Military balance in Korea, it is expected that the major U.S. reinforcement in case of a conflict would not be ground force elements, but rather augmentation of the tactical air and logistical support. Thus, it could be argued that the likely use of the division in a Korean conflict is remote, even less likely than the use of the forward-deployed Marines in Okinawa. If it were decided that a division over and above the infantry division in Korea and/or the Marines in Japan were needed in an unexpectedly demanding Korean conflict, other divisions in the United States, such as those on or near the west coast, would be only a few hours farther away from Japan or Korea by military airlift.

OPTION C. DEACTIVATION OF ARMY INFANTRY DIVISION IN HAWAII

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
-70	-140	-290	-290	-290	-1,080

This estimate assumes that the division and its tactical combat and logistic support elements, plus those dollar and manpower resources in the mission and central support forces that are associated with the division and its direct support units, are withdrawn from the Army over a two-year period. The estimate does not include savings associated with deactivating the affiliated National Guard brigade.

In terms of impact on deterrence of conflict in the Western Pacific, deactivation of the division in Hawaii would probably

have the least impact upon the appraisals and calculations of the Koreans, Japanese, the People's Republic of China, and the Soviet Union.

The principal argument against this option would be that the 25th Division is considered necessary for NATO, and that with strategic airlift its location does not dictate theater of usage.

D. 1. Reduce Aircraft Carriers Forward Deployed in the Western Pacific from Two to One

Reducing the number of aircraft carriers deployed in the Western Pacific from two to one could be based on more than one rationale.

Some have argued that the new general purpose helicopter assault ship (LHA) is an adequate substitute for a carrier in deployment, such as in the Southwest Pacific. Secretary Schlesinger in 1975 anticipated that these major new vessels could be occasionally deployed "to forward areas in lieu of a carrier." With a displacement of nearly 39,000 tons, and a capability to carry at least 1,800 Marines with both amphibious and airlift capabilities on board, a forward-deployed LHA "could perform a wide range of crisis response functions." 1/

A more general argument for the reduction could be that the major use of the South China Sea area for forward deployment could be curtailed with little risk because the Soviet naval threat in that area is presently quite remote. A reduction in U.S. deployment there would not require a related cut in presence near Japan, where the proximity, capability, and activity of the Soviet Navy's Pacific Fleet general purpose forces are concentrated, a matter of particular concern to Japan.

Perhaps the strongest argument for reducing the forward-deployed carrier level is that for most of the credible scenarios in East Asia, land-based tactical air units, already in the theater and available for augmentation, would be adequate for a contingency such as a renewed Korean conflict.

1/ Schlesinger, FY 1976, pp. III-79, 80. Rumsfeld, FY 1977, p. 160.

In opposition to the reduction in forward-deployed carriers, it could be argued that Japan is particularly sensitive to the naval balance in the Western Pacific and its relevance to Japanese security as an island overwhelmingly dependent upon uninterrupted access to sea lanes. The United States has already reduced its naval force levels in the Western Pacific, cutting from three to two the carriers forward deployed in 1975. A further reduction could induce more anxiety in Japan than any move other than U.S. abrogation of the Mutual Security Treaty with Japan or total withdrawal from Korea. Japanese reaction might make armed neutrality or major rearmament more likely. The People's Republic of China is also reportedly sensitive to the naval balance in the Western Pacific and has expressed concern about Soviet encirclement, including use of the Soviet Pacific Fleet.

OPTION D-1. TOTAL CARRIER FORCE LEVELS REDUCED BY THREE CARRIERS
AND THEIR ASSOCIATED SUPPORT SHIPS AND AIRCRAFT

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
-140	-440	-730	-880	-880	-3,070

This estimate assumes decommissioning one conventional carrier per year from fiscal year 1978 through fiscal year 1980, as well as the reduction from the Navy and Marine Corps of the manpower and dollar resources associated with these carriers and with their support in the mission and central support forces. If the aircraft and supporting ships associated with the carriers were retained in the force structure for convoy protection and tactical air missions, the cost impact of this carrier reduction option would be about \$1 billion over five years instead of the \$3 billion estimate above. Retaining carrier tactical air assets would require some base construction and operating costs, again not estimated here.

In countering the view that the LHA could substitute for a carrier in the Southwest Pacific, the tactical air power projection capability of the carrier would be stressed, not only for potential use in a Korean conflict, but also for protecting the LHA itself in a hostile environment. The possibility of saturation of land-based tactical air support facilities should also be noted.

D. 2. Homeport a Second Carrier in Either Japan or the Philippines, Thereby Enabling Continued Forward Deployment in the Western Pacific of Two Carriers, but Also Enabling Deletion of Two Carriers from the Force Structure

In 1973, the Japanese Government approved the "homeporting" of a U.S. conventionally powered aircraft carrier, U.S.S. Midway, at the Yokosuka Naval Shipyard and Repair Base near Tokyo. Presently 10 other U.S. naval vessels are also homeported there. Reportedly, the initial reception by much of the Japanese media to the homeporting of the Midway was generally favorable. 2/

Cost and operational availability advantages of such a homeporting arrangement are quite substantial. The logistics tail supporting the ship's forward deployment is much shorter, reducing the number of support ships needed. The number of carriers required in the fleet to support one forward-deployed carrier is substantially reduced by homeporting at a forward base. 3/ Thus, if a second U.S. carrier were homeported in the

2/ Fred Greene, Stresses in U.S.-Japanese Security Relations (Brookings, 1975), p. 63.

3/ Rumsfeld, FY 1977, p. 160. Homeporting a carrier in Japan, given the requirement of two carriers forward deployed in the Western Pacific, reduces the needed carriers in the Pacific by three (five rather than eight carriers). This is based upon the relationship that for every forward-deployed carrier not homeported, the Navy plans for a deployment schedule such that the crew spends two months in or near the continental United States for every month forward deployed. This planning factor in turn means that four carriers are required, considering transit time and major overhaul periods, to support one carrier forward deployed.

Western Pacific (in Japan or Subic Bay, Philippines), then two carriers could be deactivated.

Even if occasional deployments into the Indian Ocean were retained as a responsibility of the Pacific fleet rather than the Atlantic fleet, it would be possible under this option to increase the amount of Seventh Fleet activity actually concentrated near Japan and the general location of the Soviet Pacific Fleet.

The argument for this alternative would primarily be the quite significant long-term cost savings if the total carrier levels were reduced by two.

Arguments against this option might concentrate on feasibility and related Japanese reactions. In Japan, Yokosuka appears presently to be fully utilized with occasional demanding workload peaks, such as when the Midway comes in for several weeks for upkeep. Thus, homeporting a second carrier in Japan could require a major expansion of facilities which would be available to the United States in Japan. However, if the second carrier were homeported at Subic Bay, then the ship repair facilities there would perhaps be adequate.

Perhaps there are other alternatives, such as Sasebo, Japan, or Pearl Harbor, Hawaii. Because of sensitive political reaction, a nuclear-powered carrier probably could not be homeported in Japan.

Although this option would not involve reduction of U.S. naval presence in the Western Pacific, the Japanese Government would look at the overall U.S. naval inventory in the Pacific and be disturbed by the reduction in the Pacific generally. The Japanese concern should be allayed somewhat by the U.S. emphasis on the limited contribution that U.S. carriers make to antisubmarine warfare when compared to other U.S. naval assets, such as P-3 patrol aircraft and attack submarines. This is important since the principal Soviet naval threat to Japan is the submarine threat to sea lanes of communication, particularly as those lanes approach the main islands of Japan. There may be

physical capacity or feasibility problems and high one-time costs of construction or expansion associated with this option. Additionally, tolerable living conditions for the homeported families would have to be assured. This study has not had an opportunity to explore these potential problems. However, the possibilities seem worth exploring because of the potential for substantial cost savings or for facilitating transfer of some Pacific fleet assets to the Atlantic, should that be deemed appropriate.

OPTION D-2. HOMEPORTING A SECOND AIRCRAFT CARRIER IN THE WESTERN PACIFIC, AND DELETING TWO CARRIERS, WITH THEIR ASSOCIATED SUPPORT SHIPS AND AIRCRAFT, FROM THE FORCE STRUCTURE

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
-85	-400	-540	-540	-540	-2,105
<p>Estimate assumes that the carrier deactivations take place over a two-year period and excludes costs of additional basing facilities in the Western Pacific.</p>					

E. Delete the Two Air Force Tactical Air Squadrons from the Force Structure

There are presently two tactical fighter squadrons of F-4s stationed at Clark Air Force Base in the Philippines.

The argument in favor of withdrawing them from the force structure in the Pacific is that the threat to the Philippines, to which they are relevant, seems quite remote. The primary threat to Philippine security is insurgency and clearly not air attack. Tactical air assets elsewhere in the Pacific, including those in Okinawa and aboard carriers, are arguably adequate for augmentation during a Korean conflict.

As opposed to total withdrawal, it has been suggested that the Philippine Government might require at least one squadron to remain as a contribution to air defense of the Philippines as the most direct U.S. contribution to their defense under the Mutual Security Treaty and consistent with the emphasized supplementary role of U.S. forces under the Guam Doctrine. In addition, the aircraft, although stationed at Clark, are only a few hours flight from Korea.

OPTION E. DELETE THE TWO AIR FORCE TACTICAL AIR SQUADRONS IN THE PHILIPPINES FROM THE FORCE STRUCTURE

Cost Impact Relative to President's Fiscal Year 1978 Program, in Millions of Fiscal Year 1977 Dollars, by Fiscal Year					
1978	1979	1980	1981	1982	1978-1982
-20	-60	-80	-80	-80	-320
Deleted over a two-year period (fiscal years 1978-1979).					

FORCE REALIGNMENTS

Assumptions underlying the options discussed in this section are that force requirements for NATO/Europe are not fully met, and that some force elements drawn from excess forces "for Asia" would be needed to help meet European requirements.

F. Return of the Infantry Division in South Korea to Continental United States for NATO-Related Requirements

Arguments for withdrawing the Second Infantry Division from South Korea would be the same as under the alternative presented above under force reductions, with the additional argument that the need for increasing active divisions deployable to Europe in a NATO contingency justifies keeping the division in the force

structure. This alternative would incur substantial one-time relocation and rebasing costs, but would eventually encounter lower operating costs in the United States.

Apart from near-term, one-time cost concerns, another basis for opposing this option could be that alternative uses of resources absorbed in retaining this division in the force structure might be more effective contributions to enhanced NATO capability, particularly for a "short" war.

OPTION F. RETURNING SECOND INFANTRY DIVISION TO CONTINENTAL UNITED STATES

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

1978	1979	1980	1981	1982	1978-1982
+100	+60	+10	-10	-10	+150

This estimate assumes that the division and its tactical combat and logistical support units (except air defense and surface-to-surface missile units) are temporarily relocated over a three-year period to an existing inactive post within the continental United States with facilities of lower standards than those normally associated with the volunteer army. For construction of permanent facilities, \$500 million has been spread evenly over fiscal years 1978-1982. If, as was done in 1971 when the other U.S. infantry division was withdrawn from Korea and then deactivated, the division's equipment were left in South Korea for South Korean forces, then the replacement cost to the United States could approach \$1 billion. Beginning in fiscal year 1983, after the one-time rebasing and relocation costs were incurred, the annual recurring cost of locating the division in the United States could be about \$110 million per year less than it would be in South Korea.

G. 1. Transfer Three Aircraft Carriers from the Pacific to the Atlantic by Reducing the Forward-Deployed Carriers in the Western Pacific from Two to One

In the context of East Asia and the Western Pacific, the arguments for and against reducing the forward deployment of aircraft carriers from two to one would be the same as discussed under option D. 1. among the force reduction possibilities.

Another rationale for reducing the carrier presence in the Pacific could be that the Atlantic fleet would require additional carriers in a NATO long-war contingency. Transferring three carriers to the Atlantic fleet from the six now in the Pacific fleet would make peacetime deployments closer to what may be wartime requirements, thereby reducing the delay of two weeks or longer in redeploying from the Pacific to the Atlantic. The responsibility for occasional deployments into the Indian Ocean could be transferred to the Atlantic fleet.

Japanese opposition to transferring three carriers from the Pacific would be an important consideration. Moreover, it might be argued that in a "long" NATO war context, two weeks or so delay in transferring some carriers to the Atlantic would be a tolerable risk. The transfer also might prove difficult in terms of available basing on the U.S. east coast and expensive in terms of one-time, near-term costs to expand or reopen base facilities.

The cost impact of this option is presented below with the estimate for transferring two instead of three carriers.

G. 2. Transfer Two Carriers to the Atlantic, Based upon Homeporting a Second Carrier in Either Japan or the Philippines

As discussed in option D-2, considerations for and against homeporting a second carrier in the Western Pacific would be the same under this option of transfer rather than deactivation of the "freed" assets.

Arguments for and against a transfer to the Atlantic could be the same as those expressed above under G. 1.

OPTIONS G-1 AND G-2.

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Year

	1978	1979	1980	1981	1982	1978-1982
G. 1. Transfer Three Aircraft Carriers to the Atlantic	+30	+30	+30	0	0	+90
G. 2. Transfer Two Aircraft Carriers to the Atlantic, Home- port Second Carrier in Western Pacific	+30	+30	+30	+20	+20	+130

These estimates assume the transfers would occur over a three-year time period and exclude one-time rebasing costs, both in the Atlantic and Western Pacific. The fiscal year 1981-1982 estimates for option G-2 reflect primarily the higher personnel costs associated with basing personnel overseas rather than in the United States.

FORCE ENHANCEMENTS IN NORTHEAST ASIA

A package of options involving force enhancement in Northeast Asia could be based upon the following basic assumptions:

- o Northeast Asia is the region within East Asia and the Pacific, (1) where the political requirements for force presence are strongest, (2) where the threats and contingencies are most significant and demanding, (3) where U.S. forces are most relevant to the contingencies, and (4) where U.S. forces make the most needed contribution to allies' forces.

- o General purpose forces in East Asia and the Pacific can be restructured in a way that enhances some aspects of U.S. forces in Northeast Asia without increasing total forces in the Pacific and even allowing for a reduction in those forces.
- o General purpose forces identified for Europe are either sufficient or require additions that do not preclude some strengthening of posture in Northeast Asia by restructuring within the Pacific.

The specific example chosen to illustrate costing a force enhancement option is at the lower end of the cost range of alternatives that might be considered.

An exemplary force enhancement option could involve the following:

U.S. Force Tactical Air Presence in Northeast Asia

- o Transfer the two F-4 squadrons in the Philippines to Korea
- o Substantially upgrade facilities and technology for air defense control in South Korea
- o Increase shelter construction for U.S. tactical aircraft that might be sent to South Korea in a contingency

In-Theater Command, Control, and Communications

- o Augment and improve by deploying to Northeast Asia (perhaps Okinawa) three specially configured C-130 aircraft for immediately available airborne communications, command, and control equipment for crisis management

Increase Cooperation and Effectiveness of U.S.-Japanese Defense Relationship

- o Increase joint training exercises with Japan in anti-submarine warfare (ASW)

- o Add to U.S. antisubmarine warfare capabilities in the Western Pacific by procuring more mines to close the exits from the Sea of Japan
- o Increase the number of Japanese military officers attending training and professional military schools in the United States
- o Make training areas in the United States available for some elements of the Japanese Self-Defense Forces that lack suitable areas in Japan for proficiency training and exercises.

These force enhancement options for Northeast Asia would not necessarily preclude some of the force reductions or realignment options noted above, such as the homeporting of a second carrier (perhaps in Japan), allowing two carriers to be either deleted from the force structure or transferred to the Atlantic for NATO needs. Some of the force enhancement options might well be funded largely by either the Japanese or South Korean Governments.

Deploying advanced weapons systems and enhancing command and control capacity, although clearly important and more costly, would perhaps be secondary compared to the intended psychological benefit of reassuring South Korea and Japan with physical evidence of durability of U.S. resolve to retain a substantial force in South Korea. Such reassurance would hopefully reduce the motivation of South Korea to acquire nuclear weapons.

Deploying two more squadrons of F-4s to South Korea would improve deterrence and be directly relevant to the expected principal U.S. contribution needed for South Korean defense against a North Korean attack. Increased shelter protection and enhancement of air defense control capabilities in South Korea would improve both the survivability and effectiveness of U.S. tactical air assets deployed in South Korea. If enhancement of tactical air capability in Northeast Asia were undertaken, it might make subsequent or related reductions in ground force presence in the region less destabilizing.

Antisubmarine warfare improvements could be seen as emphasizing a capability that responds to the primary naval threat to Japan. There has been, compared to 1973, a recent significant

decline in joint antisubmarine warfare exercises between the U.S. Navy and the Japanese Maritime Self-Defense Forces. 4/

Japanese Self-Defense Force elements lack land and air training space in Japan, partly due to Japanese restrictions on disturbance to surrounding communities. As in the case of some military personnel from the Federal Republic of Germany who use training areas in Texas, it might be feasible and desirable to encourage some Japanese Self-Defense Force elements, such as those responsible for air defense, to use some base in the United States.

There has been a substantial decline in the percentage of Japanese military officers attending professional military schools and specialized training programs in the United States. This apparently is due in part to the sharp increases in charges, sometimes on short notice, related to sharing of overhead and other support costs. 5/ Given the critical importance of the U.S. mutual security alliance relationship with Japan and the communication problems encountered between such different cultures, the argument would be that the United States should not only reverse the sharp decline in Japanese attendance at U.S. schools, but should also increase some U.S. military professional schooling in Japanese institutions, such as their National Defense College.

This force enhancement option might be opposed on several grounds. It could be seen as an endorsement of undemocratic conditions in South Korea and as a departure from the emphasis of the Guam Doctrine upon increased self-reliance of Asian allies. It might be argued that relocating C-130 command, control, and communications aircraft from the continental United States would be unnecessarily expensive, because they could be deployed from a central U.S. location, with lower operating costs, in a few days in any event. In the case of antisubmarine warfare improvements, it might be argued that these are prime examples of appropriate increases that Japan itself should undertake in its defense efforts.

4/ Japanese Defense White Paper (1976), p. 154.

5/ Discussions with U.S. Embassy personnel, Tokyo, November 1976.

OPTION H. STRENGTHENING U.S. POSTURE IN NORTHEAST ASIA

Cost Impact Relative to President's Fiscal Year 1978 Program,
in Millions of Fiscal Year 1977 Dollars, by Fiscal Years

1978	1979	1980	1981	1982	1978-1982
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+83	+64	+11	+8	+8	+174
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This estimate includes the relocation of the
two F-4 squadrons from the Philippines to South
Korea.

APPENDIX A

SOVIET PACIFIC FLEET

Force Level and Composition*

Submarines

<u>Total</u>	100	
Ballistic Missile		25
Cruise Missile		19
Attack		56

Principal Surface Combatants

<u>Total</u>	58	
Cruisers		6
Destroyers		27
Frigates		25

Minor Surface Combatants and Amphibious Warfare Ships

<u>Total</u>	278	
Coastal Patrol		100
River Patrol		40
Mine Warfare		100
Amphibious Warfare Ships		18
Amphibious Warfare Craft		20

* F. J. West, Jr., et al., "Toward the Year 1985: Relationship Between U.S. Policy and Naval Forces in the Pacific," (April 8, 1977), Center for Advanced Research, U.S. Naval War College.

APPENDIX B

UNDERWAY SHIP DAYS OF THE PACIFIC FLEET (SEVENTH FLEET AND THIRD FLEET) BY GEOGRAPHIC REGION, FOR FISCAL YEAR 1975, FIRST QUARTER FISCAL YEAR 1976, AND FOURTH QUARTER FISCAL YEAR 1976/SECOND QUARTER FISCAL YEAR 1977

1. The following figures reflect the number of underway days for Pacific fleet ships by general geographic region. This data was extracted from historical files by running a computer query for all major employment underway terms and sorted by geographic location. This procedure necessarily results in the totals being approximations rather than precise figures due to the arbitrary rules that must be established in defining areas to keep the data extraction process within manageable proportions.
2. The data provided cover fiscal year 1975 through 1st Quarter fiscal year 1976 and 4th Quarter fiscal year 1976 through 2nd Quarter fiscal year 1977.

Area	FY 75	FY 76 (1st Qtr)	FY 76 (4th Qtr) FY 77 (2nd Qtr)
South China Sea	5,835 (23.3%)*	850 (15.5%)	3,011 (14.6%)
Philippine Sea	1,586 (6.3%)	500 (9.1%)	2,032 (9.8%)
Northern Japan	593 (2.4%)	208 (3.8%)	974 (4.7%)
Sea of Japan	1,235 (4.9%)	233 (4.2%)	1,052 (5.1%)
Okinawa	612 (2.4%)	91 (1.7%)	405 (2.0%)
Indian Ocean	624 (2.5%)	145 (2.7%)	381 (1.8%)
South Pacific	137 (0.5%)	12 (0.2%)	481 (2.3%)
Mid-Pacific	4,462 (17.9%)	1,067 (19.4%)	3,850 (18.6%)
West Coast	9,910 (39.7%)	2,387 (43.5%)	8,503 (41.1%)
TOTAL	24,994	5,493	20,689

* Totals of percentages may not equal 100 because of rounding.

